FOREIGN BROADCAST INFORMATION SERVICE

Daily Report

Latin America

FBIS-LAT-94-173
Wednesday
7 September 1994

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Daily Report
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FBIS-LAT-94-173 *7 September 1994*

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Parlatino President Offers To Mediate Haitian Crisis

PA0609213594 Hamburg DPA in Spanish 1835 GMT 6 Sep 94

[Text] Caracas, 6 Sep (DPA)—Venezuelan Humberto Celli, president of the Latin American Parliament (Parlatino), offered on behalf of his organization to try to mediate with the Haitian Government to prevent a military invasion, it was learned today.

According to a Parlatino press communique, Celli and Charles David, foreign minister of the Haitian military government, had a telephone conversation during which they agreed to meet in mid-September during the XCII Conference of the World Inter-Parliamentary Union in Denmark.

Celli told David he was willing to make all necessary efforts, within the context of Parlatino resolutions, to prevent an armed action.

Meanwhile, Venezuelan Marco Bruni Celli, UN rapporteur for Haiti, said that the dictatorial government of that country considers its adversaries to be some sort of "paper tiger."

He said that General Raoul Cedras and his group consider the measures imposed against them by the United States, the United Nations, and the OAS as "mere formalities to satisfy the demands of public opinion."

Referring to Cuba and Haiti, Bruni Celli said that the two cases each constitute a challenge and an opportunity for the United States to make a political definition regarding Latin America.

Central America Supports Haitian Invasion as 'Last Resort'

PA0609214194 Mexico City NOTIMEX in Spanish 1935 GMT 6 Sep 94

[Text] San Jose, 6 Sep (NOTIMEX)—Central America supports the UN Security Council resolution on a multilateral intervention in Haiti to restore to power ousted President Jean Bertrand Aristide, the regional foreign ministers have stated.

The Isthmus foreign ministers, assembled here since last night to study regional political and economic matters, said—upon analyzing the failure of the UN mission that sought a political solution to the island's crisis—that they would support an invasion of Haiti as a last resort.

Separately, the foreign ministers recalled that all military action on the Caribbean island already has the UN Security Council's authorization.

It was learned that the foreign ministers will issue a joint communique today in which they urge the Haitian military to step down from power to restore democracy to Haiti and thereby the full respect for human rights and peaceful coexistence.

Panamanian Foreign Minister Gabriel Lewis Galindo told NOTIMEX that "through our country's experience, we know that an invasion causes a terrible trauma, therefore, all avenues should be explored before making this type of decision."

In the Haitian case, he said: "I believe all avenues have been explored to reach a negotiated solution. Therefore, Panama will support an intervention if this comes from the United Nations," Lewis Galindo said.

Nicaraguan Foreign Minister Ernesto Leal said: "We do not agree with a violent solution; we hope for a peaceful return of President Aristide to power."

Likewise, Salvadoran Foreign Minister Oscar Santamaria, Honduran Foreign Minister Ernesto Paz, and Guatemalan Foreign Minister Marithza Ruiz expressed support for UN Resolution 940, which establishes a series of steps for the withdrawal of the de facto military authorities in Haiti.

Nevertheless, the ministers acknowledged that diplomatic pressures exercised up until now for the peaceful withdrawal of the military have been unsuccessful, therefore an armed intervention is imminent.

Costa Rican Foreign Minister Fernando Naranjo said that in the wake of Aristide's return to power, Central America is willing to cooperate with technical assistance to restore the democratic institutions to this nation and to support the reactivation of the productive sector and of other priority areas.

None of the foreign ministers confirmed or ruled out sending soldiers to organize an eventual multilateral force to remove the military from power.

Rio Group To Discuss Embargo on Cuba, Haiti

PY0709040494 Rio de Janeiro O GLOBO in Portuguese 4 Sep 94 p 46

[By Ascanio Seleme]

[Text] Brasilia—Brazil wants to approve a parallel joint declaration on Cuba and Haiti during the Group of Rio meeting, which will be held in Rio de Janeiro on 9 and 10 September. The presidents of the 14 countries that participate in the Group of Rio have already been informally consulted about a probable proposal opposing the economic embargo on Cuba and favoring a negotiated and peaceful solution to the Haitian crisis. Argentina is the main obstacle to this declaration because President Carlos Menem supports the embargo and, at the UN Security Council, voted in favor of military intervention in Haiti.

The diplomats who are working on the issue recognize that the Brazilian proposal is all-encompassing. Brazil abstained from voting on the intervention in Haiti at the UN meeting and believes that the conditions that led the United States to impose the embargo on Cuba no longer

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exist. The Argentine position will probably limit the all-encompassing characteristics of the Brazilian proposal, the diplomats admit.

In addition to the declaration about Cuba and Haiti, the Group of Rio will disseminate a letter of overall political principles to be discussed in the meeting. Ambassador Carlos Eduardo Farias, the Brazilian coordinator of the meeting, asserts that Cuba can also deserve being mentioned in the meeting's official declaration. Brazil plans to honor President Fidel Castro for having agreed to adhere to the Tlatelolco Treaty.

Foreign Minister Celso Amorim, secretary of the Group of Rio for this year, has already drafted the main points of the official declaration that will be submitted to the 14 presidents. The declaration will emphasize the democratic characteristics of the Group of Rio member countries and remind all that nine presidents will be elected in Latin America in 1994. The document must link the fight against poverty and support for development to the region's democratic stability.

The letter will also deal with the developing countries' access to advanced technologies of the United States, Europe, and Japan. The presidents must mention respect for human rights in the region, concern for the environment, and drug trafficking. The document will also mention the region efforts to fight weapons smuggling and money laundering.

The Group of Rio meeting will also be used by the 14 countries to negotiate the political positions they want to jointly defend at the Americas Summit summoned by U.S. President Bill Clinton, which will reunite all the American heads of state. The agenda of the summit will include topics such as prosperity, cooperation, integration, and the openness of governments and will take at least half of the time of the Group of Rio presidents.

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Cuba

No Report of Havana's Answer on Document Delivered by U.S.

PA0609193894 Havana PRENSA LATINA in Spanish 1856 GMT 6 Sep 94

[Text] United Nations, 6 Sep (PL)—Cuban and U.S. representatives should be meeting again today within the framework of talks they have been holding here since last Thursday, but there is a total absence of information on this.

The only thing known since yesterday—when the chief of the U.S. delegation, Michael Skol, principal deputy assistant secretary of the Office of the Assistant Secretary of State for Inter-American Affairs, handed a new document to Ricardo Alarcon, who is heading the Cuban delegation—is that once this document is reviewed, there should be an answer, but it is not known where or when the answer will be delivered.

Based on the rules followed until now, the next meeting should be held at the office of the permanent U.S. mission to the United Nations, considering that yesterday's meeting took place at the Cuban office.

However, for this to be confirmed, it must first be established whether yesterday's meeting, which lasted approximately 50 minutes, is to be considered a formal meeting or just a contact between the two chief delegates. If the latter is true, then today's meeting will take place at Cuba's permanent mission to the United Nations.

There is no report on the document delivered by the United States to the Cuban side, which refused to comment on this when consulted by PRENSA LATINA.

Carlos Fernandez de Cossio, member of the Cuban delegation, would only say that he considers the delivery of the new document to be a sign the United States plans to continue negotiating.

Alarcon Replies to Latest U.S. Proposal; No Details

PA0609224494 Madrid EFE in Spanish 2128 GMT 6 Sep 94

[Text] New York, 6 Sep (EFE)—Michael Skol and Ricardo Alarcon, chief negotiators respectively of the United States and Cuba, ended today another day of talks without reaching an agreement on how to resolve the "rafters'" crisis.

In a brief meeting that only lasted 45 minutes, Alarcon, who is the president of the Cuban National Assembly, gave Skol, U.S. deputy assistant secretary of state for inter-American affairs, his government's reply to the latest proposal made by Washington.

Following the brief meeting, which was held at the Cuban UN mission, the spokesman for the U.S. negotiating group, David Johnson, refused to explain either the latest U.S. proposal or the Cuban counterproposal.

Sources close to the negotiations, however, said the United States has agreed to be more flexible in its requirements for the granting of immigrant visas to the Cubans wishing to leave the country, to the effect that some 27,000 visas will be granted per year.

The previous U.S. proposal to grant more than 20,000 immigrant visas per year had been rejected by Havana claiming that it was insufficient and that it would not stop the flow of refugees, which surpassed that number in August alone.

Last weekend, the United States rejected a Cuban proposal that called for the granting of over 100,000 visas for a set period of time to stop the continuous flow of "rafters" and to compensate for the visa quotas not granted in the last 10 years.

Even though Cuba and the United States agreed in 1984 that 20,000 visas per year would be granted to Cubans wishing to leave the island, a figure that increased to 28,000 per year in 1991, the stiffness of the requirements demanded by Washington led to only 10 percent of them to actually be granted.

Johnson said his team of negotiators must now review Cuba's reply and consult with Washington before the meeting scheduled to be held tomorrow, Wednesday, at 1300 GMT at the U.S. mission at the United Nations.

"Talks continue in the same atmosphere as before, professional and responsible, and also in a spirit of cordiality," said Johnson, who told journalists they should not "speculate about the outcome of the negotiations."

In these negotiations, which began last Thursday, Washington is trying to reach an agreement on the legal emigration of Cubans to this country, in exchange for Havana's resuming its policy banning citizens from leaving the country legally. [sentence as received]

Due to the wave of boat hijackings to flee the country in early August, Cuban President Fidel Castro announced he will not continue to be "the guardian of the borders" of the United States and allowed the departure of those wishing to leave the country.

This situation resulted in a total of 21,300 Cubans being picked up on the high seas in August by U.S. authorities as they tried to reach this country mostly on homemade rafts.

In addition, on 19 August, U.S. President Bill Clinton ordered that the Cubans be sent directly to the U.S. naval base in Guantanamo (Cuba), without granting them political asylum, as had been done for the past 28 years.

Despite this, there are over 20,000 Cubans in Guantanamo. Hence, the U.S. Government—after obtaining Panama's permission—has begun transferring Cuban rafters to its bases in Panama's Canal Zone.

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The U.S. State Department has made it very clear that the Cubans who leave their country will not receive preferential treatment, adding that they will not be able to request asylum or immigrant visas from Guantanamo or Panama. Therefore, the State Department concluded, they will have to decide to return to Cuba to request visas in Havana from the U.S. Interest Section in this country.

Robaina Denies Requests Made on Number of Annual Visas

PA0609180394 Havana PRENSA LATINA in Spanish 1701 GMT 6 Sep 94

[Text] Madrid, 6 Sep (PL)—Foreign Minister Roberto Robaina said here today that the only interesting element in the talks between Cuba and the United States in New York is that they have not been interrupted and that they are continuing.

In brief remarks to PRENSA LATINA shortly after arriving in this capital where he will begin a one-week official visit tomorrow, the Cuban Foreign Minister commented that one cannot yet speak of progress or results from the talks between Washington and Havana.

We are at a point at which each side explains its viewpoint, and there has been no significant progress, Robaina stated.

I think that perhaps, he added, the only progress is that the talks are still continuing.

The head of Cuban diplomacy stressed that in his country's opinion, in order for the negotiations to be serious, in-depth, and long-ranging, one must go to the root of the problem.

To get to the root, he stressed, there must be talk about the blockade, and for Cuba it is unacceptable that there is no discussion of this topic, as if it has nothing to do with the issue the talks were established to discuss.

Despite this, the Cuban official added, Cuba has not refused to hold talks, even if they are only about the migration problem.

Robaina also referred to speculation in the media about the number of annual visas the Cuban side has allegedly proposed.

We have not made any request for a number of annual visas in the New York talks, the Cuban foreign minister said, indicating that before establishing figures, there must be some more discussions.

He recalled that the number of visas agreed upon with the United States in 1984 has repeatedly not been fulfilled, and he added that if there were discussions about this, perhaps there would not have to be talk about these figures, but of others [quizas no habria que hablar de acquellas cantidades, sino de otras].

He stated: The issue is not a figure of 1,000 more or 1,000 less; the negotiations cannot begin with figures.

Radio Cites Robaina on U.S. Talks

FL0609221594 Havana Radio Reloj Network in Spanish 1932 GMT 6 Sep 94

[Text] Foreign Minister Roberto Robaina said upon arriving in Madrid for a week-long official visit that the only interesting thing about the Cuban-U.S. talks is that they have not ended. He added that he cannot yet speak of progress or of results at the talks, repeating that each side is presenting its views and that there has yet to be any significant progress. He stressed that serious, in-depth, and long-term negotiations depend on addressing the root of the problems, namely the U.S. blockade of Cuba. Robaina added that Cuba considers it unacceptable not to discuss the blockade, as if it had nothing to do with the New York talks. He referred to reports about the number of visas per year Cuba supposedly requested, affirming that Cuba has not requested any annual quotas during the talks because there are other things that must be discussed before reaching that point. Robaina pointed out that the number of visas Washington agreed upon in 1984 has remained unfulfilled year after year and that if this is going to be discussed, other issues must be debated. Robaina added that this phenomena is not a matter of 1,000 more or 1,000 less and stressed that the negotiations cannot begin with the discussion of figures.

Delegations in New York Agree To Hold Plenary Session 7 Sep

PA0609225994 Havana PRENSA LATINA in Spanish 2156 GMT 6 Sep 94

[Text] United Nations, 6 Sep (PL)—Today's meeting between the heads of the Cuban and U.S. delegations, which ended with an agreement to hold a plenary session tomorrow at 0900 hours (1300 GMT) at the U.S. mission at the United Nations, lasted only 45 minutes.

Michael Skol, U.S. deputy assistant secretary of state for Inter-American affairs, arrived at the headquarters of the permanent Cuban mission at the United Nations at 1500 hours (1900 GMT), and the private meeting with Ricardo Alarcon de Quesada, president of the Cuban parliament and head of the Cuban delegation to the negotiations, started immediately.

Aithough nothing official on this meeting has been revealed yet, it was reported that the head of the U.S. delegation received from the Cuban party a reply to a new document presented during a similar meeting held yesterday afternoon.

As for tomorrow's meeting, only the time and the venue, the U.S. permanent mission at the United Nations, were announced. The two full delegations will be in attendance.

The delegations of Cuba and the United States started the current negotiations last Thursday and had contacts only on Saturday.

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The U.S. position so far has been to limit the dialogue to migration issues, while Cuba has maintained the need to broaden it to include the cause of this problem, which it identifies as the blockade that Washington has imposed on Havana for more than 30 years.

Radio Reports U.S. Talks To Continue 7 Sep

FL0709011494 Havana Radio Rebelde Network in Spanish 2300 GMT 6 Sep 94

[From the "Exclusive" program]

[Text] PRENSA LATINA reports from New York that today's meeting between the heads of the Cuban and U.S. delegations lasted only 45 minutes, ending with the agreement to continue tomorrow in a plenary session at the U.S. mission to the United Nations. Michael Skol, undersecretary of state for inter-American affairs, arrived at 1500 [1900 GMT] and immediately sat down with Ricardo Alarcon de Quesada, president of the National Assembly of the People's Government and head of the Cuban delegation to the talks. Althougn no official announcement has been made on today's talks, it was reported that Skol received the Cuban delegation's response to the new document the United States presented yesterday afternoon. The only thing revealed about tomorrow's meeting is the time and place, the U.S. permanent mission to the United Nations. Both delegations will attend in full. The U.S. position to date has been to base the dialogue on immigration issues, while Cuba insists on the need to in[illegible] its cause.

Cossio: Both Parties Willing To Continue Talks

PA0609212294 Madrid EFE in Spanish 1945 GMT 6 Sep 94

[Text] New York, 6 Sep (EFE)—The Havana Government is willing to sign an agreement with the United States to halt the exodus of Cubans, even though "it will not be a solution to the problem," Carlos Fernandez de Cossio, the Cuban Foreign Ministry's director of North American affairs, told EFE today.

Fernandez de Cossio, who is participating in the Cuban-U.S. negotiations in New York, reiterated that the root of the current migration crisis is the economic embargo that the United States has imposed on Cuba for 32 years. He also said that restricting the bilateral talks to the emigration issue will not solve the problem.

Asked if the negotiations are bogged down, Fernandez de Cossio said that "at no time could it be said that they have failed or that they are at a standstill," adding that "the talks continue."

He explained there is an "effort to find a solution that has two types of expectations: a circumstantial one to resolve the most urgent aspect of the problem, and another to address the causes" of the problem.

In the latter aspect, he referred to the "U.S. policy of aggressiveness and the blockade" and stressed the importance his country places on the possibility that a "willingness" will emerge on the U.S. side to discuss the topic of the embargo in the future.

For the time being, "both parties are looking for common ground," the high-ranking Cuban official said, emphasizing "the willingness of both delegations to continue" negotiating.

Fernandez de Cossio did not want to comment on the latest U.S. offer to increase the number of visas issued annually. Washington originally proposed 20,000 at the beginning of these talks.

Nonetheless, he explained that the new U.S. offers "involve greater flexibility in granting the visas."

He said the United States has not complied with the agreement both countries reached in 1984 to grant an average of 20,000 visas yearly to the Cubans who wanted to immigrate to that country, "preferring instead" to favor illegal emigration.

In this respect, Fernandez de Cossio said that in the last four or five years, the United States has granted political refugee status to approximately 13,000 Cubans who left the island illegally, yet during that same period of time it has only granted 6,000 visas—"less than 2,000 per year"—to those who requested them through legal means.

According to Fernandez de Cossio, the visas being negotiated at present are for people who wish to emigrate for economic reasons. He explained that his country hopes Washington will honor its 1984 commitment, which could entail a past due accumulation of nearly 200,000 visas.

Although the high-ranking official would not mention figures or dates, he suggested that his country wants the United States to comply with a "commitment it acquired many years ago," referring to the 1984 agreement, but he refused to speak of deadlines.

Talks are scheduled to resume this afternoon. The Cuban delegation is headed by Ricardo Alarcon, president of the National Assembly of the People's Government.

On Monday U.S. negotiator Michael Skol, principal deputy assistant secretary of state for inter-American affairs, delivered to Alarcon a counterproposal in which Washington increased its initial 20,000 visa offer.

Sources close to the negotiations have indicated that the new U.S. offer speaks of approximately 27,000 visas a year, which would come close to the 28,000 visa quota that the 1984 agreement envisaged for the past four years.

In the aforementioned agreement, the United States pledged to grant a maximum of 20,000 visas annually to Cubans, and by 1991, that figure would increase to 28,000.

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According to sources, said agreement also stipulated that Havana would accept a number of Cuban criminals who were sentenced to U.S. prisons and who arrived there in the so-called "Mariel boat lift" in 1980.

The two delegations have been in contact by phone this morning while at the same time consulting with their respective governments with the objective of returning to the negotiating table with closer positions.

Although it has diminished in the last few days, the exodus of Cuban "rafters" continues. Since August 19 the U.S. Coast Guard has intercepted some 25,000 rafters, in addition to the 20,000 rafters confined at the U.S. Guantanamo Naval Base in Cuba.

Cossio: 'Common Ground' Sought

PA0709014994 Havana Radio Havana Cuba in Spanish 0000 GMT 7 Sep 94

[Telephone interview with Carlos Fernandez de Cossio, member of the Cuban delegation at the talks with U.S. officials in New York, by reporter Roberto Cabada of Radio Rebelde in Havana on 6 September; from the "Evening Information Review" newscast—recorded]

[Text] [Cossio] [Words indistinct] the process continues. This is not a simple matter. The complexity of it has been shown. What we do have until now is the willingness of the two sides to find a solution, and we continue finding room to try to...[pauses] or finding a common ground so we can find a solution. This has been slow until now, and nobody knows how long it can last. It may last one or two days or longer, as long as the commitment (?to hold talks) remains.

[Cabada] Cossio, we understand that the heads of the two delegations met yesterday alone, without the other delegation members. Was there any [word indistinct] or any issue discussed in particular?

[Cossio] Yes, the heads of the delegations did indeed meet yesterday. The rest of the delegations did not hold a joint meeting. They discussed basic ways to continue the process in view of the different stumbling blocks that have emerged. Today, they agreed to continue with another general round of [words indistinct] at the U.S Mission, to continue seeking solutions.

Cossio: Each Side Willing To Solve Problem

FL0709?2794 Havana Tele Rebelde Network in Spanish 0033 GMT 7 Sep 94

[Telephone interview with Carlos Fernandez de Cossio, member of the Cuban delegation at the talks with U.S. officials in New York, by Pedro Martinez Pirez, in Havana; from the "This Very Day" program—live]

[Text] [Martinez] Mr. Cossio, what about today's 45-minute meeting between the Cuban and U.S. delegations? How are the talks going? We understand that there are proposals and counterproposals. How would you describe the negotiations?

[Cossio] Each side is showing a willingness to solve this problem. Each side has presented proposals and counterproposals on various subjects, typical for these kinds of negotiations. I cannot say that there has been any significant progress regarding content, even less so regarding specific agreements on anything. However, there is a greater rapprochement and understanding of the positions. The United States insists on limiting the talks to immigration issues alone. We have said that although we are willing to discuss immigration issues, we must remember that this will not lead to a true, serious, or in-depth solution to the crisis.

[Martinez] We understand that this was the second day in a row that talks were held at the Cuban mission, thus breaking the rotation that was taking place.

[Cossio] We did not have to stick to the rotation since the meetings yesterday and today were simply brief consultations between the chiefs of the delegations.

[Martinez] When will the two delegations meet again?

[Cossio] Yes. The delegations will meet at the U.S. mission at 0900 [1300 GMT] on 7 September.

[Martinez] So, there has been no significant progress even though both sides have shown that they are willing to solve the problem. Will there be a change? Will the process accelerate? Will results acceptable to both sides be reached?

[Cossio] There is a willingness to continue negotiating toward an agreement. Of course, both sides differ on how to reach that agreement. Our position is well known: We must tackle the essence or the root of the problem—that is, the economic blockade—to come up with a real solution. That is not how the United States sees it. They refuse to see this. They are willing to meet on the immigration issue, which they see as the only aspect of this entire problem. We are willing to discuss this aspect of the problem, but it must be understood that the solution or results reached will only solve part of the problem.

[Martinez] Cuba is willing to participate in talks on one aspect of the problem, while hoping that the negotiations will deal with the root of the problem? Is that right?

[Cossio] That's right. What must become clear—we must be open with the public and, of course, our people—is that if an accord is reached on this limited aspect of immigration, we cannot tell the people to hope that there will be a solution to the problem. That would be against our understanding of the causes and our duty.

[Martinez] The Cuban delegation has denied news agency reports that it asked for 100,00 visas to be granted per year.

[Cossio] The Cuban delegation has said that it does not want to discuss details about the points being discussed in the negotiations. The Cuban delegation has said that apart from U.S. fulfillment of the immigration accord—

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which they acknowledge they have shunned—and apart from the regular immigration process that might be established from this point on, measures must be taken to correct the backlog of visas the United States failed to issue while it slighted the accord over the past 10 years. These are the figures you come up with when you figure out how many visas could have been issued. However, we believe that there must be a measure to correct that part of the problem, apart from a more permanent agreement on specific numbers and categories of people.

[Martinez] Certain far-right sectors of the exile community are highly upset by these talks, despite the fact that there has been no significant progress or developments.

[Cossio] Yes. We constantly hear news about that far-right Cuban mafia, said to control Florida and U.S. politics and to monopolize and hold the U.S. Government hostage on these issues. We read this in the Latin press. Yet, this does not translate directly to the talks. You have to wonder just how much this far-right Cuban mafia in Florida can influence the U.S. Government. They are going bonkers, fearing the chance that there might be an agreement. We must remember that these people live off the business generated by permanent conflict with the United States.

[Martinez] Are the talks still professional and positive?

[Cossio] Yes. The talks have remained within that realm. The word I would use on both sides would be respect. Of course, we have different views and thoughts on what to do. However, the talks have been respectful and what they describe as professional. This is the adjective they use to describe the talks. The media here reflected a perhaps unfounded optimism during the first days, which turned to pessimism over the weekend. However, our opinion is that the initial period was marked by a reiteration of views and that this has resulted in greater efforts to reach a solution. What I want to reiterate is that since the United States itself wants to limit the talks to immigration issues, any accord acceptable for Cuba will always be a limited accord. Limiting the talks to immigration issues simply limits the accord on tackling or dealing with the issue. This will not solve the problem. It is a fact that there will be no real or permanent solution as long as the cause, the root of this problem is not addressed.

[Martinez] I understand that today's WASHINGTON POST reiterated the importance of making progress and expanding the dialogue with Cuba beyond immigration issues.

[Cossio] Yes. That's right. THE WASHINGTON POST featured an editorial to that effect. There have been several articles in influential newspapers revealing a more generalized opinion in the country that the Cuban issue has to be dealt with in another manner. Even people who do not subscribe to our ideas, people more enlightened about Cuba, or people well-informed but with views contrary to ours are calling for a more civilized policy toward Cuba.

[Martinez] Is this being felt in New York? Does it have more influence than the pressures from the Miami mafia?

[Cossio] In the negotiations, per se, we cannot say that this has an influence. This is also very difficult to measure. You have to keep in mind that we are two government delegations defending our positions. The media does not have a direct influence. These are closed-door talks, where it is understood that one is expressing sovereign views, government to government.

[Martinez] Thank you very much for your statements. We read your JUVENTUD REBELDE interview, which also described the current state of the negotiations. Greetings to the rest of the Cuban delegation.

Alarcon Reports on Talks With U.S. to GRULAC Diplomats

PA0709013794 Havana PRENSA LATINA in Spanish 0041 GMT 7 Sep 94

[Text] United Nations, 6 Sep (PL)—Ricardo Alarcon, president of the Cuban National Assembly, today presented a detailed report on the course of the Cuban-U.S. negotiations in New York to the permanent representatives of the Group of Latin American and Caribbean Countries (GRULAC) at the United Nations.

Alarcon is heading the Cuban delegation at the talks, which began last Thursday and are scheduled to resume tomorrow.

The meeting with the GRULAC was held behind closed doors, and all that was learned about its contents was that Alarcon explained the complexity of the talks.

The complexity stems from the U.S. position to limit the talks to the migration issue, while Cuba believes it is necessary to expand them to include the conditions and causes that led to the illegal exodus. One of the causes is the U.S. blockade, which has lasted over three decades.

The chief of the Cuban delegation, however, did not rule out the possibility of reaching an agreement if the parties' respective positions move closer.

In statements to a group of correspondents at the United Nations following the conclusion of the meeting with the GRULAC, Alarcon said the U.S. proposal to grant 20,000 visas to Cubans wishing to travel to the United States is the same as that contained in an agreement signed 10 years ago. Washington has only issued visas equivalent to 5 percent of the agreed upon figure.

As for U.S. public opinion regarding the current situation, Alarcon said that many distinguished leaders in the Senate and House of Representatives as well as many other U.S. politicians are today calling for a dialogue

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between both countries. He added that it can already be considered a movement in this country.

As for the current talks, he said the problem lies in that one party is limiting discussion to a single problem, while the other believes it is necessary to discuss the primary reasons behind the problem.

He added, however, that Cuba is flexible and is ready to discuss any matter related to bilateral relations, and that is why he is here in New York.

As for the likelihood of Cuba stopping illegal immigration, Alarcon said he can show several copies of charges made yearly by the United States at international human rights forums accusing Cuba of stopping the exodus and asking Cuba to stop obstructing the departure of Cubans.

He added that Cuba can now propose, based on bilateral cooperation, the search for formulas to create conditions to reduce and eventually eliminate the need for people to emigrate illegally. But this, he said, would once again lead us to the topic of the embargo as the primary reason behind the people's desire to leave the country.

Alarcon Reports 'Progress'

PA0709021094 Madrid EFE in Spanish 0059 GMT 7 Sep 94

[Text] New York, 6 Sep (EFE)—Ricardo Alarcon, chief Cuban negotiator at the talks with the United States on the crisis of the "rafters," said today that for the first time "progress" was made toward solving this problem.

In statements to EFE at the United Nations, Alarcon, president of the Cuban National Assembly and former foreign minister of his country, stated that both Cuba and the United States have shown flexibility and willingness to find a solution to a common problem in these meetings.

In a meeting that lasted 45 minutes, Alarcon today delivered his government's response to the latest proposal presented by Michael Skol, chief U.S. negotiator and principal deputy assistant secretaruy of state for inter-American affairs.

U.S. sources who asked not to be identified termed the Cuban response "serious" and said it is a document on which work can be done.

Alarcon explained the United States has "finally" shown it will fulfill the commitments it assumed in 1984, when both governments agreed the United States would give a maximum of 20,000 visas annualy for Cubans, a figure that was later revised to 28,000, "which we welcome."

However, the former Cuban foreign minister noted that "there will not be a definitive solution to the problem (of "rafters") until" the U.S. economic embargo "is completely lifted."

Nevertheless, Alarcon remarked an agreement "limited to migration" that does not include lifting the blockade can be achieved.

Alarcon today visited the UN headquarters to inform Latin American ambassadors about the progress of his negotiations with the United States regarding the refugee crisis.

Latin American diplomatic sources that attended that meeting said Alarcon expressed hope his country and the United States would reach an understanding, bringing the U.S. position of only speaking about immigration and the Cuban position of also addressing the economic embargo closer.

According to sources close to the talks, the latest U.S. proposal involves easing its requirements to grant immigrant visas to Cubans who wish to leave the country to the effect that it will grant approximately 27,000 visas per year.

The previous U.S. offer of granting over 20,000 immigrant visas per year had been rejected by Havana on grounds of being insufficient. Havana argued this proposal would not reduce the flow of refugees, which in August alone exceeded that number.

Despite the fact that Alarcon said his government has not proposed a required number of visas to halt the flow of "rafters," he asserted a "significantly large" number is required to make up for the numbers not granted in the last 10 years.

Although the granting of 28,000 annual visas has been practically agreed upon, in recent years, the United States just granted a tenth of said figure because of the severity of the requirements it demanded, which it now proposed to ease.

Despite the rapprochement registered today, the chief Cuban negotiator affirmed "there are still very complex problems for which no agreement can be rapidly reached." With this, he hinted the negotiations may be prolonged for some time.

Both negotiating teams have agreed to meet tomorrow, Wednesday, at the U.S. mission at the United Nations.

These negotiations were requested by the United States because of the wave of Cuban "rafters," which in August totaled 21,300. This prompted Washington to decide on 19 August to send refugees straight to the U.S. base in Guantanamo, located on the island of Cuba.

Regarding the Cubans who are in Guantanamo, totaling about 25,000 people, Alarcon declared there will be no impediment for them to return to Cuba so they can request their U.S. immigrant visas there. However, he stated this must be resolved through "diplomatic channels."

Cuban diplomatic sources said that following the progress made today, "it could be said negotiations have really begun."

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Article Notes U.S. 'Paradise' for Emigrants Does Not Exist

PA0609201394 Havana PRENSA LATINA in Spanish 1731 GMT 6 Sep 94

[Article by Javier Rodriguez: "The Unreachable Paradise"]

[Text] The Cuban emigrants who have embarked on trips to the United States, after yielding to the economic difficulties provoked by the U.S. blockade against the island, now seem to realize the promised paradise does not exist.

Bombarded for many years by countless foreign radio broadcasts that told them about a better life in the land north of Cuba, and burdened by the scarcities of the economic crisis, a small portion of the population turned their eyes toward the hope of having their problems solved.

This is the background to the exodus that has worsened recently as Washington tightens even more the economic and commercial blockade around Havana, despite agreements to the contrary by the United Nations.

However, life is bitterly showing those who chose this path that, by setting foot on the deck of a U.S. Coast Guard vessel, they and their families have only begun a sad journey along a path they never intended to travel.

The abrupt turn in official U.S. policy initially showed that their first stop after meeting with U.S. patrols would be forced confinement at the Guantanamo Naval Base in the eastern area of the country they left behind.

The harsh conditions of staying in that place—conditions the emigrants themselves have now personally experienced—were previously known by the thousands of Haitian refugees there, with [words indistinct] living in tents, experiencing great difficulties, and being unable to guarantee their basic needs.

That clash with reality was even more harsh for those who were waiting for some favorable reaction from those who, through the microphones of Miami radio stations, encouraged them for many years to give up the revolution. Now, however, these same people do not hesitate to support their indefinite stay at the concentration camp at Guantanamo.

Later, another great disappointment was learning from U.S. Attorney General Janet Reno that they would never be able to enter U.S. territory as emigrants or to seek asylum in any other manner.

Moreover, the chapter of unpleasant surprises did not conclude with their new official classification by the U.S. Government as undesirable individuals.

At the same time this was happening, the authorities began to implement an order to stop all Cuban-Americans from embarking to Cuba to pick up relatives by seizing their boats and sending the new emigrants to detention centers.

After this, the United States began its bid to place some of the emigrants in other countries, trying to get these countries to take on the social burden represented by an unexpected arrival of a large group.

Definitely, the initial achievement attained by the White House to this effect was simply obtaining Panamanian permission for confining about 10,000 emigrants in other detention camps hastily prepared at one of the military bases maintained by the United States in the Canal Zone.

The U.S. military authorities themselves established the conditions under which they will live there, also for a virtually indefinite period of time.

Of course, they will be living in tents—just like as they did at Guantanamo—in camps without any communications abroad, surrounded by barbed wire fences, and under tight security to prevent any Cubans from passing into Panamanian territory.

One international news agency describes the place, which is located about 10 km from Panama City [words indistinct] where it rains frequently and therefore the place becomes very muddy and filled with many insects, while the average temperature is 34 degrees centigrade.

This will be the final destination of many of those seeking the unreachable paradise—people who are perhaps now surprised and disappointed to learn first-hand that this is the only thing to be offered by those who encouraged them to take the fatal step.

'Frustration' in Guantanamo, 'Anxiety' in Miami Noted

FL0609184594 Havana Radio Rebelde Network in Spanish 1155 GMT 6 Sep 94

[Telephone interview with Marcos Castellon, in Miami by Maria Elena Alonso, in Havana; from the "Doing Radio" program]

[Text] [Alonso] Good morning Marcos.

[Castellon] Good morning Maria Elena and Roberto.

[Alonso] Marcos let us continue to follow the issue that we have been reporting on, the repercussions in Miami of the talks that are taking place in New York between the Cuban delegation, headed by Ricardo Alarcon, and the U.S. delegation.

[Castellon] Well, people are following the situation, currently just waiting with anxiety to know whether there are going to be any results. Yesterday the Cuban and U.S. delegations met only through Ricardo Alarcon and Mr. Skol, their respective leaders. The meeting lasted less than one hour. Once again we must reiterate that the closed door character of these meetings leaves very little possibility of knowing what has occurred. Information has filtered through that the United States is trying to sweeten—that is the word the press uses—the

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proposals made to Cuba trying to obtain an agreement, in their evident desperation, on which both sides can agree.

The Cuban delegation appears to be very composed and very firm in their positions and especially in reference to the secrecy of the situation, where they are very serious and quiet. As this situation continues I can report that the intention of stopping what is known here as the exodus or the drop by drop Mariel has not been achieved. Yesterday 1,129 rafters where rescued in the Florida Straits. Of course just like all the rest, they are being sent to the Guantanamo Naval Base where the overcrowded conditions are provoking many more situations of distress and frustration among Cubans and Haitians.

In reference to that, I wanted to report that yesterday Haitians threw rocks at the military guards on the base. There were six guards injured and one 16-year-old Haitian boy with a skull fracture was urgently transported to a hospital in Miami to be operated on. The Haitians found out that Panama was going to accept Cubans at the camps that are being constructed at U.S. military bases near the Panama Canal. The Haitians say that they have been in Guantanamo longer than the Cubans and therefore have more right to leave the base and its awful conditions. This is what has provoked the situation between the Haitians and the U.S. authorities at the Guantanamo Naval Base.

[Alonso] What does Miami's extreme right have to say about that?

[Castellon] Well the extreme right, it is a curious situation: They are clawing away at each other. A Miami reporter visited Guantanamo, he was asked by the rafters what Mas Canosa thought about their situation. The reporter answered that Mas Canosa and the [Cuban-American National] Foundation had agreed with the U.S. Government that they should be detained at sea and be held at Guantanamo. That provoked many of the rafters to begin shouting that Mas Canosa was a traitor, that he had forgotten them and sold them out. The repercussion here of that incident is that the Foundation is criticizing the reporter that dared to say that in Guantanamo. By the way, that is true, that is true. The Foundation agrees, in an odd way, with the measures. They say the measures are painful but necessary.

[Alonso] Unless you have anything more, if not we don't speak to you tomorrow, thank you Marcos.

Rafters 'Rebellious' at Guantanamo Base; 1 Injured

PA0709022094 Madrid EFE in Spanish 0141 GMT 7 Sep 94

[Text] Guatanamo Naval Base (Cuba), 6 Sep (EFE)—A U.S. spokesman reported today that a group of at least 650 Cubans became rebellious today in the U.S. Guantanamo military base, in Cuba, and hurled stones at several policemen, wounding one.

Major Richard Thomas, spokesman for the base press office, explained to EFE that the incident began at midday (1600 GMT) when a soccer ball the Cuban "rafters" were playing with, was went outside the perimeter of the restricted field.

Hunger Strikers Near U.S. Interests Section Arrested

PA0609181094 Paris AFP in Spanish 1655 GMT 6 Sep 94

[Text] Havana, 6 Sep (AFP)—A group of Cubans who last week went on a hunger strike in front of the U.S. Interests Section in Havana to demand emigrant visas have been arrested and taken to State Security installations, some relatives of the arrested people charged today.

Monday evening, 49 people who claimed to be former political prisoners and who were maintaining their demonstration across from the U.S. office told foreign journalists that Cuban police had urged them to either end their action or face being removed.

Tuesday morning, newsmen confirmed that no demonstrators were in the small park where the demonstration, which began Monday of last week, had taken place. At one point, a total of 56 people had joined the hunger strike.

Three women related to some of the demonstrators told AFP that early Tuesday morning, plainclothes policemen arrived, put the demonstrators in a van, and took them to State Security headquarters at Villa Marista. The strikers did not resist, but they did not cooperate with the arresting officers and had to be lifted off the ground and carried into the van, the sources reported.

Sources from the U.S. diplomatic office had viewed the strike with skepticism. They had not viewed it as "spontaneous" and said that most of the demonstrators had been in jail for trying to leave the island illegally.

Radio Notes Rafters To Begin Arriving in Panama 6 Sep

FL0609215094 Havana Radio Reloj Network in Spanish 1936 GMT 6 Sep 94

[Text] Official Panamanian and U.S. Armed Forces sources have confirmed that the first contingent of the 10,000 Cuban rafters who will be housed at U.S. bases in Panama will arrive there this afternoon. A Panamanian Foreign Ministry source announced that the Cubans will be flown from Guantanamo Naval Base to Howard Air Force Base, in the southwestern portion of the Panama Canal. Patrick Curry, public affairs director of the Southern Command, added that the first two groups of

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50 rafters will be transported on two Hercules C-130 planes this afternoon. The Panamanian Foreign Ministry pointed out that the 10,000 Cubans are considered U.S. guests and that the United Nations will supervise the camps, although the United States is responsible for them.

Radio Claims WASHINGTON POST Backs Blockade Position

FL0609221694 Havana Radio Reloj Network in Spanish 1934 GMT 6 Sep 94

[Text] Today's WASHINGTON POST includes an editorial headlined: "A Real Solution for Cuba." The editorial describes Clinton administration attempts to separate immigration issues from other points of contention between Cuba and United States as artificial and calls for the U.S. blockade to be raised at the negotiating table. The newspaper affirms that efforts to discuss only immigration issues are unsustainable, suggesting that Clinton is limiting his own diplomacy by barring the blockade issue. THE WASHINGTON POST asks if they fail to realize that the Cold War, during which Cuba was a worry for the United States, is over. This influential newspaper advocates Cuba's position through the editorial reiterating the need to bring the blockade to the negotiating table.

University Students to March in Support of Revolution

PA0709040594 Havana PRENSA LATINA in Spanish 0132 GMT 7 Sep 94

[Text] Havana, 6 Sep (PL)—University students will participate in a march on 7 September to support the Cuban revolutionary process. The march will be followed by a ceremony to emphasize the role that they should play in the patriotic formation of new generations.

Otto Rivero, president of the Federation of University Students (FEU), urged FEU members and the general population to join this march, which will begin at various points in the capital and end on the steps of the university, where a political-cultural activity will be held.

Rivero told the "This Very Day" newscast that members of that organization supported the revolution by confronting antisocials who provoked disturbances on 5 August after their attempt to leave the country illegally had been thwarted.

He recalled that Cuban streets have been traditionally controlled by students who in various historic moments have played the role of bastion of progressive causes.

The march and popular ceremony on 7 September will stand as a symbol of FEU determination to give continuity to the progressive position displayed by Cuban students in support of the revolutionary process, Rivero stated.

Unit Formed To Defend Against U.S. Helicopters

FL0709010794 Havana Radio Rebelde Network in Spanish 2300 GMT 6 Sep 94

[Interview with Colonel Roger Molina Galves, member of the Antiaircraft Defense and Revolutionary Air Force Staff, by Jorge Luis Martinez Zamora; place not given; from the "Exclusive" program—live]

[Text] [Martinez] The first battalion of sharpshooters to fight low-altitude aircraft, particularly helicopters, was formed in the western region recently. Colonel, why form such a unit?

[Molina] So that the Revolutionary Armed Forces [FAR] will have an effective defense against low-altitude aircraft, particularly helicopters, in light of the massive use of helicopters by the U.S. Armed Forces.

[Martinez] I understand that this rifle was made in Cuba. What can you tell us about it?

[Molina] This rifle has been presented to the Eighth Science and Technology Forum, has received an award, and has been tested on the firing range. It was decided that it fully met combat requirements to be used against this type of low-altitude target. This rifle can be easily handled by one man. It is very powerful, is highly effective, and has the necessary range to fight low-altitude targets.

[Martinez] Are there plans to form more of these units throughout Cuba?

[Molina] This is the first such unit in the Western Army Command. Others will be created in time, in accordance with the FAR decision to create this type of unit in other provinces and commands.

Robaina on Trip to Spain, New York Talks

FL0609161094 Havana Radio Progreso Network in Spanish 1100 GMT 6 Sep 94

[Interview with Foreign Minister Roberto Robaina by Julio Gomez Usia; from the "First Thing" program—recorded]

[Text] [Gomez] Foreign Minister Roberto Robaina has lifted off for Madrid, where he will have a very busy work agenda. Robaina is accompanied by several officials from the Ministry of Foreign Affairs. We questioned Robaina about his visit to Spain and the fact that this is the first visit of a Cuban foreign minister to Spain in 11 years.

[Robaina] It is true that is has been 11 years since a Cuban foreign minister has visited Spain. However, the relations between Cuba and Spain have been strengthened during this time. I believe that the highest expression of this relation has taken place during recent meetings, in other places, between the foreign ministries of Cuba and Spain and primarily in meetings between our respective presidents. I believe that in this last phase,

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perhaps in the meetings between foreign ministers, a broader dialogue, referring to our own problems, has begun. I believe that now we have the privilege of meeting in Spain and not just in third countries. We have had time to prepare an ample agenda that will permit us to demonstrate our interest. At the same time, we will meet and hold meetings with members of Spain's government broaching issues of bilateral and international interest [words indistinct]. I believe that our relations are based on the great number of things that we have in common. Without considering that, at the same time, there are many things that we do not agree on. I believe that this is normal and it is normal for several countries to have these differences.

[Gomez] What can you tell us with reference to your agenda in Spain?

[Robaina] It is of the same style as all other visits. In this case it has the special characteristics which Spain's society, its government, parliament, political forces, solidarity groups, and social organizations have. We must not forget to mention one aspect that, as time goes by, is gaining a major role in our relations: the economic issue. When we mention Spain everyone is aware that there are many sectors in which we have economic ties and especially in tourism.

[Gomez] Is the economic issue going to be prioritized, notwithstanding Cuba's current situation?

[Robaina] All issues are decisive for Cuba. Cuba's diplomacy has to perform according to our main problems and our main problems are economic and political. Economic, due to the reality that we are facing; political, because I believe that it is important to explain to the world something about what is going on in Cuba other than what the world and the press manipulate. I disagree with those that say these are not good times to go out and explain what is happening in Cuba because there are many things happening in Cuba. I believe that it is very important to broach in Cuba how the world views what is happening in Cuba. Based on that, I have no doubt that the situation will be broached and through this privileged visit the front pages of the newspapers will not only report what some say, but they will report the Cuban point of view as well. This issue played an important role in our recently concluded visit to South America. I believe that due to the characteristics of Spain's society and press, without doubt, this issue will play an important role.

[Gomez] You mentioned several issues that are on the agenda to be discussed with Spanish government officials. There are some that speculate that the issue of Spain accepting Cuban immigrants may be debated, is this possible?

[Robaina] Well, we have no reason to anticipate events. I believe that, to date, that situation has manifested itself, fundamentally, in the area where the problem is occurring. In that area the reactions from countries have been diverse, it has not been unanimous. I believe that there are a great number of countries that maintain a position related to the one Cuba is defending. We agree with all that is within the realm of legality. All that contributes to strengthening a position that has been extensively condemned in Cuba and by U.S. society and does not follow the opinions of representatives of the international community, we certainly have a discrepancy of opinion with those positions. I say discrepancy of opinions and this fact does not mean that these governments cannot make that decision. I cannot agree with some decisions made by these governments; however, I do respect their decisions. We take advantage of every possibility to explain to any government that wants to discuss the issue what our position is on this issue. Our position is that if there is really interest in resolving the root of the problem, this cannot be done by receiving those that are in one or another camp. The root of the problem is part of what we are discussing in New York and, unfortunately, at this time we are at a standstill.

[Gomez] In reference to the talks, there are many people that are pessimistic about the results of the talks between Cuba and the United States. Do you have any last minute information on the talks?

[Robaina] There is no reason for being over optimistic and there are no reasons for exaggerated pessimism. Neither one of those two extremes reflects the current state of mind. In any case, a negotiation as hard and complex as this one cannot reach an agreement in the first few hours; that is not possible. The international community knows the positions of both Cuba and the United States. I believe that there is no reason to advance any outcome. Our representatives in New York are informing us of the manner in which the talks are taking place. There has not been any progress because we are still saying that the root of the problem is beyond just an immigration issue and the United States insists the problem is one of numbers. The phenomenon is beyond this and I do not believe that in a first negotiation everything will be resolved. What must be done is to guarantee the continuity of a dialogue that should be serious, earnest, and effective. Something that is serious, deep, and long range cannot be resolved with the apparently technical measures proposed by the United States. I believe that perhaps the best last minute information is that the talks have not been interrupted; that is a step forward.

Robaina To Meet With Spanish Foreign Minister on 7 Sep

PA0709050394 Havana PRENSA LATINA in Spanish 0416 GMT 7 Sep 94

[Text] Madrid, 7 Sep (PL)—Cuban Foreign Minister Roberto Robaina and Spanish Foreign Minister Javier Solana will hold official talks at Santa Cruz Palace on 7 September on the first working day of a visit that the Cuban foreign minister began on Tuesday.

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Robaina and Solana will meet privately in the morning. The delegations of the two countries will then meet prior to an official luncheon hosted by the Spanish foreign minister in honor of his Cuban counterpart.

This meeting seeks to give continuity to official contacts that the two countries have maintained for a long time based on their common cultural, historical, economic, and commercial backgrounds, Robaina told PRENSA LATINA on 6 September shortly after his arrival in this capital.

After terming bilateral relations normal and stating that they are improving every day, the Cuban foreign relations minister said it is not a matter of making an assessment but of defining the conditions that exist to advance and what to do in these new times.

It is important for my country that people in Spain know not only what is said about Cuba, but also "what Cubans think about what is happening in Cuba," the minister stressed.

Following official conversations at the Spanish Foreign Ministry, the Cuban leader will meet in the afternoon with Antonio Gutierrez, secretary general of the Workers' Commissions (CCOO), one of the two largest labor unions in this country.

After arriving here yesterday, Roberto Robaina, member of the politburo of the Cuban Communist Party (PCC), held a meeting at his country's embassy with a large group of Cuban officials working in Spain.

The Cuban foreign minister later met with several Spanish businessmen interested in investing in Cuba.

Robaina will meet on Thursday with Spanish Prime Minister Felipe Gonzalez, head of the ruling Spanish Socialist Workers Party. On Tuesday of next week he will be received by the head of state, King Juan Carlos I, at Zarzuela Palace.

UK Trade Minister To Explore Investment Possibilities

PA0709035694 Havana PRENSA LATINA in Spanish 2232 GMT 6 Sep 94

[Text] London, 6 Sep (PL)—Next week the UK will explore economic investment possibilities in Cuba during a visit to the island by Ian Taylor, undersecretary of state for trade and technology, it was learned here today.

Taylor will remain in Cuba from 12 to 14 September with the [word indistinct] Cuban economy to confirm its effects in the UK.

At a news conference in London today, Taylor said that in Cuba "there could be more opportunities for British firms, as that nation could become a very important market."

According to the program, Taylor will meet in Havana with Ricardo Cabrisas, Marcos Portal, and Ernesto Melendez, ministers of foreign trade, industry and energy, and foreign investment and economic cooperation, respectively.

He will also meet with other government officials.

British sources noted that British-Cuban trade in 1989 totaled $134 million, after which the Cuban economy entered a special period when it lost its market with the former USSR, with which it maintained 80 percent of its trade.

The situation on the island deteriorated even further with the intensification of the economic siege the United States has maintained for more than three decades, as a result of which Cuba has lost $40 billion, according to Cuban sources.

Taylor will arrive in Havana from Puerto Rico, where he will begin a visit tomorrow.

Bahamas

Government Sets Conditions for Accepting Cuban Refugees

FL0609175894 Nassau Bahamas Radio Network in English 1700 GMT 6 Sep 94

[From the "One O'Clock Report" program]

[Text] The cabinet offers to make a final decision today on the team of Bahamian law enforcers who will be committed to join a Caricom [Caribbean Community] post-invasion peacekeeping force in Haiti. Meantime, the government has made its decision known on a request from the United States Government to locate safe havens for Cuban refugees in this country. Cynthia Lun has details:

[Begin Lun recording] According to a BAHAMAS INFORMATION PRESS statement, the Bahamas, in responding to the request by the United States to locate safe havens in the Bahamas, reiterates the following:

A. Any center to be located in the Bahamas will be termed a U.S. immigration processing center and not a safe haven;

B. The Bahamas welcomes the efforts of the Clinton administration to treat both Cuban and Haitian immigrants on an equal basis;

C. U.S. immigration policy continues to negatively impact on the Bahamas, increasing the numbers of undocumented persons, Cuban and Haitian, seeking to transit the Bahamas enroute to the U.S.A.;

D. The resources of the Royal Bahama Defense Force are already stretched beyond capacity and marine craft cannot continue to be diverted to rescue Cubans stranded on their way to the United States of America;

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E. The Bahamas Government welcomes the initial contact between the U.S. and the Cuban Government to come to a reasonable arrangement to provide for the orderly movement of people between the two countries;

F. Any arrangement to house economic migrants in the Bahamas would have to be temporary, for a specific length of time, and all costs to be incurred in any aspect of the program would have to be met in their entirety by outside forces;

G. The Bahamian population cannot tolerate any increase in the number of economic migrants in the community, hence no consideration will be given to the resettlement of any economic immigrants in the Bahamas;

H. Should the Bahamas agree to temporary safe havens for immigrants and refugees, the preferred locations for the facilities would be as follows: Old Military Base at Governors Harbor, Eleuthera; Gold Rock Creek Missile Base, Grand Bahama; and Cay Sal.

I'm Cynthia Lun, ZNS news. [end recording]

Government Agrees To 'Noncombat' Role in Haiti

FL0709004394 Nassau Bahamas Radio Network in English 2230 GMT 6 Sep 94

[Text] After their high-powered meeting, the Cabinet Office today announced that the Bahamas Government has agreed to participate in the noncombat aspect of the implementation of the UN-sponsored action to restore the democratically elected government of Haiti. This paves the way for 35 members of the Royal Bahamas Defense Force to join a Caricom [Caribbean Community] group expected to arrive in Haiti following the removal of the military-backed regime and the restoration of the democratically elected government of President Jean-Bertrand Aristide. The Bahamian participants will join their Caribbean counterparts in Puerto Rico later this month to begin joint training exercises with the U.S. coordinators. Additionally, up to 15 members of the Royal Bahamas Police Force are expected to also form part of a Caricom police contingent to be involved with civilian police training in Haiti. The statement from the Cabinet Office says the participation by the Bahamas in this regional activity in Haiti culminates years of efforts by the Bahamas Government to sensitize the international community to oppressive social and economic conditions in Haiti.

Barbados

Poll Shows Opposition Could Gain Control in Elections

PA0709025394 Mexico City NOTIMEX in Spanish 0146 GMT 7 Sep 94

[Text] Bridgetown, 6 Sep (NOTIMEX)—At least 200,000 Barbadians participated today in early general elections that feature a great rivalry between the ruling Democratic Labor Party (DLP) and the opposition, local sources have reported.

Polls conducted by local media on 5 September show that the opposition Barbados Labor Party (BLP) has a good chance of gaining control of the legislature should it defeat the DLP.

Elections in this Caribbean country were called 18 months in advance of the scheduled date by Prime Minister Erskine Sandiford.

The official results of the elections will be revealed next Wednesday.

Barbados, a small island in the Caribbean Sea and a former British colony, depends on sugar exports and tourism to generate foreign currency.

BLP Leader Responds To DLP Charges on Trip To U.S.

FL0609151494 Castries HTS Caribvision Television in English 1945 GMT 5 Sep 94

[From the "Caribbean Evening News" program]

[Text] As preelection campaigning continued over the weekend in Barbados, on Saturday [3 September] it rained on the BLP [Barbados Labor Party] parade. But the crowds still braved the weather to hear what the BLP called a bundle of lies, treachery, and deception from the incumbent Democratic Labor Party [DLP]. Bernard Babb was there and filed this report:

[Begin recording] [Babb] Showers delayed a BLP mass meeting for just over an hour. But once they blew over speakers attempted to warm the atmosphere for their supporters. Some, brandishing documents, also seemed intent on adding chapters to the voluminous political book of revelations. Political leader Owen Arthur disclosed that his stone was sharpened on both sides, but in a mellow tone told the audience that leadership will ultimately decide Tuesday's general election. Responding to an ultimatum from DLP leader David Thompson to tell the full story behind his visit to Washington, Arthur said he had nothing to fear.

[Arthur] Thompson say I [words indistinct] this trip nobody in Barbados knew. I didn't say what I was going about. [sentence as heard] I left for Washington on December 5, 1993. And on December 5, 1993, THE NATION newspaper carried this news item for all of Barbados to read. And I read it now: Owen Arthur, opposition leader, flies to Washington today for talks with the international financial institution. That's [words indistinct] news?

[Babb] Former prime minister Bernard St. John said the [word indistinct] projects talked about by the DLP were unable to solve the island's unemployment problem. While Henry Forde again criticized the DLP for privatization of such projects as Heywoods, the (?Arawak)

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cement plant, and Barbados Mills. The former BLP leader said it was akin to selling the family silver. Other speakers for the day included Noel Lynch, Mia Motley, David Simmons, and Billie Miller. [end recording]

DLP Denies Sandiford To Be Prime Minister

FL0609154094 Castries HTS Caribvision Television in English 1945 GMT 6 Sep 94

[From the "Caribbean Evening News" program]

[Text] Barbados' deputy prime minister Evelyn [first name as heard] Greaves has dismissed suggestions that David Thompson will not be prime minister of Barbados if the Democratic Labor Party [DLP] wins the elections on September 6. Further, he says, he does not believe that the current prime minister, Erskine Sandiford, is waiting in the wings as is being suggested. He adds that in any event it's the governor general who would have the last say on such an issue. We have a report from Barbados.

[Begin Greaves recording] It is for the governor general to state and appoint that person. It is not for that person to say I'm carrying on. He can say that if he wants to, but the governor general has the right to decide for anybody who in her opinion is able to command the majority of not only of that person's party, but of all the membership of the House of Assembly. [end recording]

Haiti

Army Training 50,000, 'Surprises' Await Multinational Force

FL0609212594 Port-au-Prince Signal FM Radio in French 1700 GMT 6 Sep 94

[Excerpts] A Pentagon official has said that U.S. intervention in Haiti would cost about $427 million: The first three weeks alone would cost $55 million in transportation, food, drinks, logistics, etc.

Haiti remains calm: A Haitian military official told Signal FM on 5 September that the Haitian Army is not looking for confrontation but for dialogue. However, the Army will not step back in the face of confrontation. Although the military official—who wished to remain anonymous—admitted that dialogue is much better than confrontation, he confirmed that the Haitian Armed Forces continue to train several thousand volunteers. Jacques Maurice filed this report:

[Begin Maurice recording, in Creole] Intervention is a dangerous game: THE NEW YORK TIMES, citing a Pentagon official, reported on 2 September that military intervention by the United States and its many friends would cost $427 million. [passage omitted]

The Haitian Army continues to accept volunteers for combat training. General Cedras, head of the Army, said recently that he will fight for the homeland's honor if necessary. We have heard that the more than 50,000 young men enrolled in Port-au-Prince and the provinces continue to train.

From what we can tell, recruits have started training with heavy weapons.

One reliable source has said that some of those young men are from abroad. It is not easy to see their faces: Some of them have experienced war, such as the Vietnam war. They are Haitians who were born abroad who have decided to fight alongside the Haitian military in the event of foreign military invasion.

The military in Port-au-Prince is seriously working to train guerrillas, a strategy which always causes problems in modern warfare. One military source told us that many surprises await the multinational force, warning that the war will not be easy.

One military expert pointed out that although the big countries' strategy is to bomb strategic sites, soldiers will have to land in Haiti if the authorities do not surrender following the bombings. This military expert, who participated in great wars, suggested that the United States do two things in such a case: bomb civilians and innocent people—as in Somalia, Panama, and Iraq—or search for compromise through negotiation.

U.S. officials have said that they want to capture General Cedras and Colonel Francois and hand them over to the Aristide government. The military expert advised that those two men are loved by many young men who are ready to die for their chiefs, young men who were victims of the Aristide and Malval government. These young men need no orders to take action, are always ready, are trained to use weapons very well to protect their chiefs, and are not frightened. They are real gangsters.

The Haitian Army has not yet revealed how much war could cost if there must be war. [end recording]

Radio Details Government's New Economic Measures

FL0709014794 Port-au-Prince Radio Metropole in French 1045 GMT 5 Sep 94

[Text] Making news today are the steps that Judge Emile Jonassaint's provisional government plans to take to curb the crisis regarding the U.S. dollar and to control the exchange market. Communiques and circulars published in Port-au-Prince over the weekend indicate that prices on essential products will drop. Rothschild Francois Jr. filed this report:

[Begin Francois recording] As for the tricky nature of the increased cost of living, the Jonassaint government intends to meet importers on ways to drop prices on essential foods. All of that will be done by subsidizing market products. The commerce minister will be responsible for fixing the base price. Meanwhile, the government has listed products authorized for import to limit currency needs, including some essential products:

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sugar, milk, flour, rice, cooking oil, medicine, school supplies, and petroleum products. The government is considering subsidizing the cost of fuel used to transport these products to help supply urban markets.

As for nongovernmental organizations, the government advises that they must obtain a permit or an import license.

As for agricultural issues, the agriculture minister is supposed to purchase improved seed from local agroindustrial suppliers and to find people to produce food to sell to planters at subsidized rates.

Furthermore, the government announced that it will work toward restoring the production infrastructure and toward reinforcing technical training for the food production sectors.

As for fiscal policy, the government wants to increase state income from 15 to 20 million gourdes through collection operations and repayment of delayed debts. Therefore, customs control will be reinforced with the help of local authorities. The Finance Ministry will begin forming technical commissions on customs control and fiscal verification on 5 September.

Another step involves the government limiting the wages paid out of the public treasury within the limits compatible with fiscal incomes. Public administration wages will be frozen. The government also decided to stop new appointments. Employees promoted from within will replace retired employees for six months.

To do all this, the government plans to use financial resources other than those of the Central Bank to avoid any monetary extension which could have a negative impact on prices and the exchange rates. The government did not specify the nature of the mentioned sources.

Another communique notes that some measures have been adopted to control the violatile exchange rate. First, economic agents who are abusing the exchange rate will be identified and sanctioned. It is now mandatory for importers to submit bills for currency purchases to the Central Bank when paying customs duties. Any daily increase in the exchange rate beyond three and five percent, which could twist the market excessively, will result in this market being closed and the Jonassaint government adopting new measures.

Furthermore, credit restrictions will be put into place. As for Sogecarte, the authorities have decided to stop issuing new cards and increasing credit lines until further notice.

As for the money transfer houses, they will have to pay the transfers to their customers in gourdes at the daily rate set by the Bank of Haiti. The Central Bank also says that the sum of the currencies from the transfers must be sold only to the banks and the authorized exchange agents.

As for the social plan, the government points out that the Social Affairs Ministry is due to extend its program of popular meals throughout all the departments of the republic. [end recording]

Ministers Hold News Conference on Price Control Measures

PA0709010494 Madrid EFE in Spanish 2322 GMT 6 Sep 94

[Report by Herold Jean-Francois]

[Text] Port-au-Prince, 6 Sep (EFE)—The "de facto" Haitian government announced today that it will implement several measures to control the prices of essential articles. Roger Lange and George Henri Fils, ministers of commerce and industry and economy, respectively, and Central Bank Governor Bonivert Claude held a news conference today to justify the economic measures adopted by the government this weekend to confront the country's economic crisis.

Henri Fils asserted that they would grant subsidies to reduce the prices of basic necessities. He reported that the government has the necessary reserves to negotiate a subsidy with importers so prices can be lowered. According to Henri Fils, the Commerce Ministry will have to set a reference price, which will be determined by this office.

The minister reported that they will subsidize the transportation of merchandise to the markets and to cities in the countryside. We hope this will cause prices of articles of daily use to fall, he said, because transportation costs will be reduced.

Henri Fils indicated that the "de facto" Haitian government will adopt measures to increase the government's income and to collect overdue taxes from businessmen and industrialists. He said he did not expect to ask the Central Bank issue currency to finance the measures. The minister also announced that the Commerce Ministry will increase its control measures to ensure that the recent economic measures are respected.

Central Bank Governor Bonivert Claude said the volatility of the dollar on the Haitian market was not triggered by the government's recent measures to eliminate restrictions on the right to issue currency. The Central Bank previously had a set limit for printing money. Based on a ruling by the Senate, however, it may now issue any quantity it requires.

Claude attributed this situation to the crisis caused by the embargo and the sanctions imposed by the United Nations and the international community. He indicated that the situation has led many economic agents to look for foreign exchange on the free market.

Ronivert mentioned that one of the new measures will be to demand that firms that consign assets and make

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money transfers not pay their clients in dollars. He maintained that this measure will reduce the dollar exchange rate's volatility.

Following government orders, asset consignment and money transfer companies are obliged to pay their clients in gourdes (official Haitian currency) at a daily rate set by the Central Bank. Furthermore, the foreign exchange generated by those transfers will have to be sold to banks and to officially recognized exchange brokers.

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Peace Talks With EZLN To Resume Shortly

PA0209143794 Mexico City Radio ACIR Network in Spanish 0000 GMT 30 Aug 94

[From the "Evening News Panorama" newscast]

[Text] Peace Commissioner Jorge Madrazo Cuellar has announced that he will resume his contacts with the EZLN [Zapatist National Liberation Army] as soon as the electoral process has concluded.

This was also reiterated by Chiapas Governor Javier Lopez Moreno today in San Cristobal de las Casas. Lopez Moreno has said that Peace Commissioner Madrazo Cuellar will continue to seek out the appropriate paths and channels that will ensure the restoration of social peace in southern Chiapas. Governor Lopez Moreno said that he will support Madrazo in his task. The governor said that even though no date has been set for the signing of a peace agreement, the residents of Chiapas are sure that eventually the consolidation of peace will triumph. The residents of Chiapas believe that this will be attained shortly in light of the government's political will to respect the agreements reached during the negotiations in San Cristobal de las Casas. Governor Lopez Moreno made these statements at a ceremony during which the cornerstone for the San Cristobal de las Casas airport was laid.

Meanwhile, Hector Hernandez Llamas, executive spokesman for the Chiapas peace efforts, has recalled that 2.7 million new pesos have already been invested to improve the living conditions of the Indian and peasant communities in the Chiapas mountains. Hernandez Llamas said that these funds have been invested mainly in the areas of health, education, rural telephone service, and road construction. The spokesman said that the work being done is important and the people can already see the results.

Chiapas Governor-Elect on Talks With EZLN

PA0209173294 Mexico City UNOMASUNO in Spanish 31 Aug 94 p 7

[Report by Isabel LLinas Zarate]

[Text] Chiapas Governor-elect Eduardo Robledo Rincon said he is willing to talk with the EZLN [Zapatist National Liberation Army]: "I believe in the dialogue, and I believe politics give us the opportunity to unite extremes and establish a consensus and an agreement amid disputes and differences. I believe politics failed in Chiapas, and we must recover that value."

He said all the social energy and community awareness awakened in Chiapas must be used and turned into an element that helps overcome Chiapas' vast backwardness. During an interview at the Government Secretariat, Robledo Rincon emphasized his willingness to meet "with whoever necessary, with all the political and social groups, to find a political solution for the state through a consensus based on tolerance and divergence."

He said one of his first actions will be to form a "pluralist government" that includes all groups, in order to face the enormous challenge. Given the challenges to his victory, he said the greatest legitimacy is granted and offered by society, which knows what happened and knows honest elections were organized, and it has spoken. "I think Chiapas's society taught a great lesson on 21 August, and everyone knows what he did with his ballot and what happened at the polling places."

He said all the parties "should recognize the people's will as expressed on election day, regardless of the results." He emphasized that "the victory achieved in Chiapas does not belong to a single party, but to various independent groups that publicly stated their support for democracy and found a point of consensus in the proposal we made for a new social pact in Chiapas. The triumph belongs to society."

After stating that politics failed in Chipas, he admitted that social actions also failed, but it was due "to the lack of a long-term social plan." He said that even though the most investments in the countryside were made within the last five years, they proved insufficient because the backwardness dates back centuries and is deeply ingrained.

Robledo Rincon said the people of Chiapas have already said what they want, and "we must now rise to the challenge." He said he is willing to tackle the task of solving the enormous problems in the state, because "I have been working 25 years to prepare myself to accomplish this."

He said he will comprise a "pluralist government" which includes all the groups—the regional, political, religious, cultural, and linguistic expressions of the state—so we may jointly face the enormous challenge which lies ahead. "That is the first thing we will do." Second will be to prepare a long-term social plan that enables us to get to the root of problems, rather than fail in the attempt to alleviate the effects of these problems in Chiapas.

Referring to Samuel Ruiz, bishop of San Cristobal de las Casas, Robledo Rincon believes he has played an important role as mediator in the whole process: "He has put his intelligence and his moral authority in the service of this cause." Regarding his possible removal, he said: "I do not give my opinion on Church matters."

Robledo Rincon said he is ready to rule. "I believe that the opportunity and lesson the people of Chiapas taught us on 21 August is that they have told us what they want, and we must now turn this moment into a social victory." He reasserted his willingness to meet with whatever groups and organizations necessary "in order to interpret the lesson and mandate society gave us on 21 August."

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He said he did not meet only with PRI [Institutional Revolutionary Party] members during his campaign; he also met with non-PRI and even anti-PRI people. The governor-elect, who is scheduled to take office on 8 December, indicated that the state congress unanimously ruled the elections were valid and legitimate. "Given the state of the law that prevails in my state, we will abide by that ruling." He said the legal part of the process has concluded, and the time to file protests and challenges has been duly completed.

Cuban Embassy Denies Training EZLN Leaders

PA0309022894 Monterrey EL NORTE (Foreign Edition) in Spanish 31 Aug 94 p 1A

[Report by Maria de Alva]

[Text] Mexico—The Cuban Embassy in Mexico yesterday denied that leaders of the Zapatist National Liberation Army [EZLN] had received training in Cuba, as stated by the Spanish newspaper ABC several days ago.

An official source at the mission said "the embassy has already said that it has nothing to do with such a thing. Furthermore, Ambassador Abelardo Curbelo has said this repeatedly."

According to the Spanish daily's article, the Cuban Embassy at one time provided logistics support for the armed rebellion carried out by Mexican Indians.

"The ambassador himself has offered press conferences on this issue, and it has been denied several times already," the embassy source said.

An official at the Mexican Embassy in Cuba, meanwhile, reported that that office has no knowledge of such charges.

"We have received no reports, and we know nothing of the sort. We hope it is not true, because we would not like it to affect relations between Mexico and Cuba. They (the Cuban Government) have been very respectful of us up to now," the embassy official pointed out.

He added that the Cuban Government has offered no explanation. "We can say nothing about any reaction. There may be some sort of explanation forthcoming, but there has been nothing as of now."

The ABC newspaper indicated in its article that the military revolution had triumphed on 1 January 1959, which is why the EZLN launched its armed movement that same date, but in 1994.

The article adds that Jose Fernandez de Cossio, who was the Cuban ambassador at the time, was removed at the request of the Mexican Government. This is why, it says, Abelardo Curbelo is the Cuban ambassador today.

The Cuban Government has been known to meddle in other guerrilla movements in Latin America.

Government To Probe Chiapas Paramilitary Groups

PA0509132094 Mexico City LA JORNADA in Spanish 1 Sep 94 p 17

[Report by Salvador Guerrero Chipres]

[Text] The Government Secretariat has decided to send a commission to verify reports on the existence of a paramilitary training camp sponsored by state authorities in the capital of Chiapas. The group will carry out a broad program of meetings to "contribute ideas" and "ease" tension in the Chiapas highlands.

According to a Government Secretariat report, authorities are particularly interested in "addressing the leaders of different pressure groups." Representatives of these groups will meet on Sunday to decide what to do in light of the situation created by the resistance of one sector of society to recognize the victory of Governor-elect Eduardo Robledo Rincon, as well as the EZLN's [Zapatist National Liberation Army] position, "which has created anxiety."

The commission will spend five days in Chiapas before returning to Mexico City to present a report next Monday. It will hold meetings with state, judicial, and municipal officials, as well as with leaders from various social sectors, including local representatives from San Cristobal de las Casas and Altamirano. In addition, the commission is scheduled to meet with the governor-elect, while a conversation with Amado Avendano has not been ruled out.

The Government Secretariat confirmed that the commission is led by Deputy Government Secretary Jose Narro Robles, who was scheduled to arrive in Tuxtla Gutierrez around 1000 on Thursday. The number of commission members was not announced.

Meanwhile, two documents recently sent by "insurgent Subcommander Marcos" to the press included several paragraphs on the issue of the Chiapas governor.

Regarding Roblero Rincon, the documents said: "With your refusal to illegitimately hold an office—one with which the Chiapas people did not entrust you—you will be sparing this land from a bloodbath, which is being prepared by your cattlemen and businessmen in the city of Tuxtla Gutierrez. There, displaced people are being taken to receive military training to become white guardsmen [paramilitary forces that support ranchers in Chiapas]. We would be happy if you renounce the sponsorship of these people who attack civilians, because to hit soldiers they lack what is important." [sentence as published]

The paragraphs extracted from the original EZLN documents, which were added to the Chiapas case file, also alleged the existence of a special office, and they added:

"By the way, you should tell them that the amount they are being offered (4,500 new pesos for four months of

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training) is too little to end up with a Zapatist bullet between their eyes. They should request a salary hike and life insurance (so their widows can get something)."

Meanwhile, the Government Secretariat received the announcement of another communique, whose origin must be "reviewed and analyzed." This communique is expected to be published in local dailies and some print media in the capital in the near future.

PAN, PRD Agree To Exchange Electoral Data

PA0509022794 Mexico City LA JORNADA in Spanish 2 Sep 94 pp 1, 10

[Report by Nestor Martinez]

[Text] Due to the "countless anomalies" detected during their respective analyses of the electoral figures, the National Action Party (PAN) and the Party of the Democratic Revolution (PRD) have verbally agreed to collaborate and exchange information on the irregularities committed during the 21 August elections.

Meanwhile, in a document sent to Arturo Nunez Jimenez, Federal Electoral Institute (EFE) director general, the two parties' representatives to the Preliminary Electoral Results Program (PREP), the PRD's Jose Barberan and PAN's Jose Luis Luege, have also accused the IFE of hiding from the parties information on the electoral results.

The text of the document has stated three types of information had been denied to the parties: the number of ballots received at the polling stations, the number of ballots extracted from the ballot boxes, and the number of ballots remaining at the polling stations.

According to Barberan and Luege, PREP officials initially explained to them that each PREP database polling station register contained 232 characters and that the database backups delivered to them contained only 171 characters. The representatives of the parties have stated this reason is why they lack information about those three figures mentioned above.

They have insisted other information not disclosed to the parties pertains to the national list of specific polling station officials, and that information is contained on magnetic media.

After receiving the document, Nunez's private secretary, Jose Antonio de la Vega Asmitia, sent an official note to PREP Coordinator General Jorge Sanchez Acosta informing him of the allegations by Barberan and Luege.

Barberan made public during a brief news conference an analysis reporting the existence of 16,000 ballot boxes for the presidential election, and those boxes contained more than 500 votes each. He explained it is almost impossible to obtain this amount of votes, called "flash votes," per polling station at an election, because to exceed 500 voters per polling station each voter must spend a record-breaking 1.2 minute voting, and this process must not be interrupted during the 10 hours the polling stations are open.

Barberan said these incidents of polling stations having more than 500 voters per ballot box took place in the country's 32 states. The highest percentage rates are in Jalisco (26.6 percent), Aguascalientes (25.45 percent), Mexico (22.81 percent), Nuevo Leon (22.78 percent), and the Federal District (22.39 percent).

Meanwhile, Jose Luis Luege said during a telephone interview there is a difference of more than 50 votes among the votes cast during the elections for president, senators, and deputies at approximately 4,800 polling stations according to analyses performed at the PAN computer center.

He said these incidents could be an anomaly, because each voter was given a ballot for each type of election; therefore, there should not be such a wide difference among the votes extracted from the three ballot boxes.

Column on Challenges Facing Zedillo

PA0209201094 Mexico City EL FINANCIERO in Spanish 29 Aug 94 p 6

[From the "For Your Information" column by Gustavo Lomelin: "Interest Groups. Ernesto Zedillo: In the Plutocracy. Breakup or Setback"]

[Text] Ernesto Zedillo will reach power restricted by interest groups, especially economic interest groups, which could disrupt his political approach, halt the longed-for escalation toward democracy, and exacerbate the plutocracic situation that prevails in the country.

His unexpected assumption of the presidential candidacy of the PRI [Institutional Revolutionary Party] and therefore his lack of preparation added to his natural lack of political sensibility forced him to strike alliances and accept deals [candados] with certain interest groups that could affect the governing style of the next public administration.

Either he breaks free of those dangerous ties and gets rid of those sociopolitical modernization nuisances or he will enter a process that will disappoint those citizens who voted for a peaceful shift to democracy. Although there is insufficient evidence on the articulately dishonest manipulation of the electoral process, we cannot talk about honest elections.

However, taking into account the final official results, there is no blank check, because, mathematically speaking, the country is split in two. In the strict sense of the word, one half wants a change, while the other half, for very diverse reasons, does not want it or does not know if it wants it. Half the voters are not pleased with the government. In general terms, 34,549,501 Mexicans voted for democracy and rejected violence.

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This is why, disregarding valid considerations as those of the Interdisciplinary Consulting Group (CGI), headed by Alfonso Zarate, on the vote's "i" factor—inertial, induced, invented, and imposed votes, to which we could well add irregular, indolent, and incongruous votes—we had better look at the present and work for the future. These days Mexico is demanding sociopolitical reform compatible with economic modernization.

John Kenneth Galbraith recently spoke about a new dialectic: "The class struggle and the Marxist style are over. The most relevant dialectic now exists between the haves and the have-nots and between the wealthy and the relatively or specifically dispossessed. This conflict could not be peaceful. When participation and political voices are unavailable resources, violence becomes an alternative. This menace is already self-evident in the United States." (REFORMA, 17 June 1994)

In fact, the necessary steps to resolve this new type of conflict between the classes are not that different from those required to resolve traditional conflicts. The economy must be managed so as to create enough jobs, and this requires measures to promote the microeconomy and the well-being of families.

Economically speaking, we need to include macroeconomic accomplishments in the microeconomy to achieve social development and family well-being. The system is simple: to change the contingency fund into an investment fund to resume the privatization of nonessential institutions and to activate and promote production investments over speculative investments.

As for political issues, we need a true yet nonviolent transition toward democracy, and we need to free the government from the PRI, restrain presidential power to strengthen the legislative and judicial branches, and foster a true federalism in Mexico.

As Zedillo took on Luis Donaldo Colosio's political work, he committed himself to that presidential restraint to achieve the balance of power. However, we are now concerned that insofar as presidentialism is restrained and as we fail to strengthen the legislative and judicial branches, the power of interest groups, especially economic interest groups, will increase.

If with the reform of the state, the political regime is currently determined indirectly by the 24 multimillionaires listed in FORBES magazine, the reform of the power structure, which lacks a system of checks and balances, could help economic power directly control political power for the next six years.

For the time being there are four identified interest groups:

1. Carlos Salinas de Gortari fooled everyone with the truth on 21 August. Salinas's strength and that of his team, added to Zedillo's inexperience, could lead to a system of control over the economic and political field beyond the current six-year period and thereby consummate the feared neo-empire [neomaximato].

2. Dinosaurs. Alliances with some of the most traditional PRI groups, like those of Carlos Hank and Ignacio Pichardo, chiefs of the Atlacomulco group. These ties will become the principal obstacle for structural change in the political and economic fields, which could endanger the progress the country needs.

3. The United States has become the great voter. Bill Clinton quickly recognized Zedillo's victory. Deputy Assistant Secretary of State Arturo Valenzuela, who is mainly in charge of the policy toward Mexico and promoter of a new political class in the country that can pave the way to a Mexican bipartisan system, said: "Despite the irregularities, the process was a transparent and fair election." (LA JORNADA, 27 August)

4. Economic interests. The influence of big businessmen in the political field is already being felt with people like Roberto Hernandez, Carlos Slim, Adrian Sada, Gilberto Borja, Emilio Azcarraga, and Juan Sanchez Navarro. Jorge Kahwagi, president of the Mexican Institute of the Small and Medium-Size Industries, already said they are going to pass Zedillo the bill for their support "with the participation of businessmen in the decisionmaking process and in the drafting of programs."

In addition to these padlocks, another danger is that the arrogance of being in power could lead Zedillo to make the mistake of thinking he can continue adopting the same policies and that social pressure can be kept under control without a political opening up.

The cards are on the table. Society can give Zedillo the benefit of the doubt, especially because of the invitation he made to the various forces (PAN and PRD) to sit down and draft a government program. It indicates good sense and prudence. Carlos Fuentes asked the question: How much poverty can democracy endure?

Editorial Views Points of Agreements Among Candidates

PA0209201794 Mexico City LA JORNADA in Spanish 31 Aug 94 p 2

[Editorial: "Points of Agreement?"]

[Text] Despite the different assessments of the recent election made by the candidates from the country's three largest political forces that the final part of the electoral process is yet to be completed and despite the fact the definitive judgment of the PRI [Institutional Revolutionary Party], PAN [National Action Party], and PRD [Party of the Democratic Revolution] on the election will not be compatible, yesterday these parties expressed, in different ways, political positions that seem to point in the direction of common objectives vital to the future of the republic.

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Given the proximity of the elections and the different points of disagreement on the elections between the largest national political forces, it would be premature and adventurous to speak of specific points of agreement between the leadership of said forces. It would be naive or ill-intentioned to try to ignore, through optimistic voluntarism, the deep differences separating the PRI, PAN, and PRD in their characterization of the national political structure.

However, at least through speeches, Ernesto Zedillo at the Special Congress of the National Peasant Confederation, Cuauhtemoc Cardenas in a crowded rally in the capital's Zocalo, and the PAN's National Executive through a press communique, issued similar views at least on three basic needs: to perfect democracy in the country, to install effective dialogue mechanisms between the different national forces, and to separate clearly the government apparatus from the PRI.

These points of agreement—which for now are just statements and must be viewed as such—can appear too general to infer from them future points of agreement. However, these remarks are significant, taking into account that they have been made prior to the culmination of an electoral process, which has further weakened political relations between the government party with the PRD and to a lesser extent with broad sectors of the PAN, forces comprising the bulk of the opposition to the ruling party.

If in fact the third of the stated points (the need to end the noxious symbiosis between the government and PRI) has been a demand frequently expressed by opposition forces, the fact that the virtual winner of the election, the PRI candidate, has explicitly recognized the need to "put the government in its place and the PRI in its place" represents an innovation.

Aside from the final official election result and the reactions it may generate, it would be extremely beneficial for the political system and the Mexican people if the alleged determination to separate the PRI from the state apparatus becomes a reality and does not fall into oblivion. This holds especially true for the person who will apparently become the next president of the republic, who will be ultimately responsible (by virtue of his position) for effectively reducing the evident inequity of resources that so far exists between the official party and opposition forces. This fact cannot be underestimated in electoral terms.

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El Salvador

Calderon 'Satisfied' With UN Report on Compliance

PA0609235694 San Salvador Radio Maya Vision in Spanish 1800 GMT 1 Sep 94

[Report by Jorge Alvarez from the "Maya Vision Newscast;" monitored in progress]

[Text] ...the president said he is satisfied with the report in which Butrus-Ghali noted delays in compliance with some provisions of the peace accord signed by the administration of former President Alfredo Cristiani and the former Salvadoran guerrillas. These delays involve land and the reintegration of former combatants from both sides into society.

The president not only admitted that the UN secretary general had noted delays in the aforesaid areas but also expressed his administration's determination to follow up on the accords. Calderon Sol blamed the FMLN [Farabundo Marti National Liberation Front] for not providing the necessary information to assist former rebels with lands and other government programs and said this situation hinders timely compliance with the agreements.

The president described the UN report as balanced because it also mentions the accomplishments of the peace accords. Let us listen to the president:

[Begin Calderon Sol recording] I do not think the Copaz [National Commission for the Consolidation of Peace] people have said they are opposed to the report. If you look at the UN report carefully, I think you will realize it is very balanced. The report highlighted the government's accomplishments in terms of compliance with the accords. These aspects of the report can be clearly assessed. It speaks well of compliance with the accords and of the many things the government has done.

It also includes clear criticism of the FMLN, which is partly responsible for the delay in land distribution. I think the government has also experienced some bureaucratic delays, which will be overcome. We are willing to overcome these obstacles, and the government is willing to comply with the accords, as we have said. The accords are national accords guaranteeing stability and social peace for the country. That is the desire of the country, and we are working in that direction. [end recording]

The president asserted that all agreements will be observed for the sake of Salvadoran democracy. President Calderon Sol made the aforementioned statements after opening celebrations for the Month of the Fatherland in San Francisco Barraza Stadium in San Miguel.

FMLN Officials on Internal Differences

PA0209172894 San Salvador LA PRENSA GRAFICA in Spanish 29 Aug 94 p 3-A

[Text] Yesterday the Farabundo Marti Peoples Liberation Forces [FPL] and the Revolutionary Party of Central American Workers [PRTC] refused to coexist in the Farabundo Marti National Liberation Front [FMLN] with the social democratic ideology the People's Revitalizing Expression [ERP] and the National Resistance [RN] are proposing, while the Communist Party [PC] maintained a conciliatory stance and influenced also the Special Convention against enforcing the suspension of seven deputies and leader Joaquin Villalobos.

The main point of that convention was to analyze unity within the FMLN, which suffered a major setback on 1 May when seven FMLN deputies broke from the leadership and voted with the Nationalist Republican Alliance [ARENA] in electing the Board of Directors of the Legislative Assembly.

On 9 May, the National Council suspended them, including ERP leader Joaquin Villalobos, although this suspension was voided once an understanding was reached, Villalobos stated.

Before the start of the convention, problems arose when the RN and ERP regional delegates were not included in the registration list and were not beig allowed into the Salvadoran Workers National Union Federation [FENASTRAS] building where the convention was held. They were admitted some time later.

In the opinion of the ERP's Ana Guadalupe Martinez, the FPL intended to use the event to confirm the National Council's 9 May decisions.

The ERP's Joaquin Villalobos said there are people used to belonging to parties where everybody thinks the same, but things in the FMLN cannot be handled as in the past.

RN leader Eduardo Sancho agreed with the ERP position in the sense that one can seek to build a new FMLN, considering that we all admit that there are organizations with differences and that they cannot come to think alike, which is why the different trends must be officially recognized within the FMLN.

"This is a challenge, and what lies ahead is a struggle to see who is capable of responding to the needs of making a good government. There are no ideological requirements. The party that does not know how to coexist with different forms of thought within a political program will disappear," Villalobos commented. He also did not rule out the possibility that at some time in the future the FMLN might unite under a single line of social democratic thought.

The FPL's Eduardo Linares said that to unify the FMLN the two existing programs must be resolved first, namely, the one identified with social democracy, and the other identified with a leftist revolutionary democratic party.

He added that there may exist within the party all the trends one may want, but the problem is how to make it work. Experience has shown that with these trends the FMLN is inconsistent, and should it continue that way it will not represent the interests of the majority either.

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"Either it becomes unified as a democratic revolutionary party, or it splits up," Linares remarked, because otherwise it would not be possible to coexist with the ERP and RN.

The PRTC's Francisco Jovel declared that they should first try to get the FMLN to work as a democratic, revolutionary party and leave their activities as separate organizations for later.

"By doing this," he added, "we will learn to work as a unified party, and the organizations that conform to the party can further the ideological and democratic struggle, but without annulling the Front's unitary action in the concrete and practical sphere."

The PC's Shafik Handal, also the FMLN's general coordinator, was conciliatory in observing that the FMLN is a democratic project committed to the majorities and that it is not necessary for all its segments to maintain a set ideology.

"The problem," he added, "is whether we must ask all the organizations to abandon their ideologies to be able to act together in politics. If we do so, however, it would not be a political alliance." "The FMLN is a party of parties, not of trends. Relations among our parties have to be based on political applications that targets political objectives," Jovel asserted.

Honduras

Official Position for ICPD in Cairo Announced

PA0209162494 Panama City ACAN in Spanish 0009 GMT 2 Sep 94

[Text] Tegucigalpa, 1 Sep (ACAN-EFE)—A Honduran official source stated today that the Honduran Government, which is sending an official delegation to the International Conference on Population and Development [ICPD] in Cairo, Egypt, will defend its policy to oppose abortion and promote family protection.

The Honduran Foreign Ministry announced today that Deputy Foreign Minister Roberto Arita Quinonez and Education Minister Zenobia Rodas will lead the Honduran delegation at the ICPD. The other members of the delegation are Dante Gabriel Ramirez, minister without portfolio, and specialists Lorena Alvarado de Casco and Gracia del Carmen de Villeda.

The official communique reiterated that Honduras' position at the ICPD—sponsored by the UN Fund for Population Activities—will oppose abortion and support state protection of the family.

"Honduran legal regulations are in keeping with the principles of the Universal Human Rights Organization, which states that the family is the natural and basic essence of society," the document states.

The Honduran position urges an increase in education programs at all levels to guide "the raison d'etre and the destiny of the family and its reproduction, without undermining the physical and religious situation of the human being."

Honduras concedes that abortion may take place for valid medical or natural reasons but warns that "it cannot be an arbitrary action and cannot become a birth control option for the Third World."

Honduran representatives at the ICPD must convey "the view of the noble Honduran people and their Christian devotion" in the decisions that will be adopted, the communique stated.

Length of Cuban Rafters' Stay Questioned

PA0609183494 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 6 Sep 94

[Commentary by German Allen Paget from "The Morning Paper" newscast: "Cuban Refugees: Here for How Long?"]

[Text] First, the North Americans got us all stirred up with a request that we receive Haitian refugees. However, before we Hondurans had time to assess the sacrifices that would have to be made, the State Department and the Pentagon assessed their sacrifices and determined that maintaining the Haitians at Guantanamo would cost them as much as finding a new country, and they canceled the idea. We Hondurans were relieved and decided that the Swan Islands had been spared, and we again grew calm.

Had we received the Haitian refugees, they would have stayed here a short time—supposedly only as long as necessary to reestablish order in Haiti. This restoration of order should not be misinterpreted as a restoration of democracy, considering that this country has endured dictatorships practically all of its independent life. Moreover, this is something the North Americans never cared about until the Haitians began arriving by the thousands in Florida, seeking work and the American way of life—something more than liberty.

No Haitians want to come to Honduras, even if they were to be taken to the paradise of the Swan Islands. In any event, as we have said, the Haitians' stay would have been temporary.

Meanwhile, it so happens that we have now been asked to receive Cuban rafters. These are desperate people the Castro regime is letting leave the island in an indulgent gesture aimed at flooding Florida with more immigrants. These refugees do not care where they go as long as they leave their country. It has been reported that we Hondurans are prepared to again offer the Swan Islands, which for the Cubans would mean changing one prison for another. Packing the Cubans on these islands while they wait for nothing would be like putting them in a small prison, compared to the large prison Cuba itself represents. Castro, for strategic reasons that have to do with his conflict with the United States, has suddenly opened

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the doors of his prison and is letting thousands of prisoners leave, if they are willing to risk their lives on the celebrated rafts built from anything that floats.

In the case of the Haitians, we knew they would come for a short time, but in the case of the Cubans, for how long will we Hondurans imprison them on the Swan Islands? There is no immediate plan for the fall of Fidel Castro or for the liberalization and democratization of Cuba. This means that there is no way that a time limit can be set for the rafters' stay in our country.

Are they going to be here for as long as the Castro brothers maintain their dictatorship in Cuba, or only for the duration of the Reina brothers' reign in Honduras? How long will they be here as refugees? Will they be taken one by one to Florida or any other U.S. state by the North Americans? Nobody knows for sure.

The Cubans are hardworking and intelligent people. They have turned Miami into what it is nowadays. Miami was a dying city, a really lifeless city. During the winter it was packed with people fleeing the cold winters of the north, as well as with retired citizens. When the Cubans arrived, they revitalized the economy and used the Spanish language to launch Miami as the grand business center for trade with Latin America.

It had to be this way: The first group of Cuban immigrants mainly comprised capitalists and people who already had business relations with U.S. banks and firms. Some of them had money deposited in U.S. banks. This group also included many professional people, many of whom had studied in the United States or had a university education. This group of immigrants also included thousands of qualified workers and technicians. This was an almost elite emigration—the cream of Cuban society, people who were not afraid of starting from ground zero to build themselves a new life in exile—and they succeeded because they are very hard-working people, aggressive, smart, and because they were coming from a Cuba that was not utterly underdeveloped. Cuba was the first country in Latin America to have color television and had almost eradicated illiteracy and unhealthy conditions. At the end of the 1950's the Havana city budget was more than $1 billion.

Thousands of Cubans disseminated across the continent are prosperous people, because, wherever they go, they go to work and put their knowledge and experience to use in countries that are not poor, isolated, or backward.

Cubans came to Honduras as tobacco experts, excellent farmers, forest experts, and even [word indistinct] like Don Pepe.

Nowhere have Cuban immigrants done harm, presented a burden, or threatened the countries that have received them, with the sad exception of the 25,000 [number as heard] Marielitos sent out by Fidel. At least 10 percent of these Cubans were criminals, drug addicts, lunatics, and bums. Nevertheless, even these former Cuban prison inmates—or at least many of them—were reborn in the United States and started a new life. Some would not reform, however. These are the ones the United States wants to send back to Fidel, because they remain in federal prisons and represent a headache.

Fidel, of course, refuses to receive them. Part of what is being negotiated now by the gringos and the Cubans has to do with undesirable Marielitos.

Honduras could slowly and selectively absorb Cubans who are sent to the Swan Islands. These people will not be a burden, because Cubans are proud people and do not like to eat bread they have not earned. The Cubans who might remain in Honduras would add force to the effort for Honduran development.

Most of them would prefer to go to the United States, of course. But honestly, how many thousand Hondurans would not like to go to the United States in search of the American dream?

But let's return to the question that is the title of this commentary. Because Fidel, instead of getting closer to his fall, is receiving Latin American oxygen that is enabling his regime to survive, it is safe to assume that the Cuban refugees will be refugees for many years, not for a few days, like the Haitians were supposed to be. Therefore, the Honduran Foreign Ministry must answer this question: Cuban refugees—here for how long?

Nicaragua

Official Confirms Country Not Accepting Refugees

PA0509221794 Managua BARRICADA in Spanish 5 Sep 94 pp 1, 4

[Report by Freddy Potoy]

[Text] Deputy Foreign Minister Jose Bernard Pallais yesterday told BARRICADA that Nicaragua will not receive Cuban refugees because it "is in no condition to receive them," and for this reason, "we maintain the same position toward them as we have toward the Haitians."

Pallais told this daily that the Nicaraguan Government examined the possibility of accepting Cuban rafters and concluded that the decision in this case must be exactly the same as that adopted for the Haitians.

Pallais said that the Nicaraguan Government has not received any official request from the United Stating asking for refuge for the Cubans leaving the island illegally.

The official noted that "Nicaragua has been enduring serious economic difficulties, and logically we cannot receive them." He noted that our country has been facing a difficult postwar period.

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Pallais said that the Nicaraguan Government backs the sovereign position of other Central American countries that are in a suitable condition to receive the Cuban rafters.

Cardinal Miguel Obando, after his Sunday homily, agreed with Pallais and said he is sorry about the situation of the Cuban people and "saddened by the possibility of shipwrecks and of many Cubans being eaten by sharks, but Nicaragua offers no opportunities."

The prelate said that in Nicaragua, 60 percent of the people are unemployed and if the rafters were to be received, "the situation of the poor people would get worse."

The United States and Panama agreed that Panama would receive at least 10,000 Cuban rafters in U.S. military bases along the canal for a six-month period. Other countries that will receive refugees are Costa Rica, Honduras, and Mexico.

Government To Carry 'Flexible' Position to ICPD

PA0509040294 Managua BARRICADA in Spanish 1 Sep 94 p 5

[Report by Darwin Juarez]

[Text] Nicaragua will carry "a flexible position" to the International Conference on Population and Development (ICPD), to be held in Cairo from 5 to 13 September, contrary to the position maintained at the preliminary conference in New York (April of this year), Social Action Minister William Baez has said.

According to Baez, Nicaragua will support a position of consensus, more than seeking a confrontation, on polemical issues such as sexual education and family planning, including abortion.

With this statement in mind the social action minister said, "Nicaragua will seek a clearer and more coherent wording of the document, because we do not as government and country accept abortion."

He added, however, it is not a matter of "uncorking everything" (objections to the issue) as the Vatican has proposed, but rather, of maintaining a position of consensus of Central American countries so things "are spoken more clearly."

Baez, who expressed his concern over the emphasis of the public debate on abortion, added more emphasis should be placed on "the conglomerate the population represents" and its relationship with the environment rather than on aspects of family planning.

The social action minister, who, together with Foreign Minister Leal, will preside over the official delegation that will travel to Cairo, revealed that Nicaragua will present a new proposal on sex education to the conference that defines such concepts as "integral sex education." The government is reportedly refining this proposal.

The Nicaraguan delegation that will attend the ICPD will also include Deputies Luisa Larios and Omar Cabezas and two technical advisers. In addition, Baez concluded, a delegation of NGO's [nongovernmental organizations] which will participate in another event, will also travel to Cairo. Among those in that delegation is Dr. Ana Maria Pizarro.

Stalemated Parties on Transportation Strike

PA0309020794 Managua EL NUEVO DIARIO in Spanish 29 Aug 94 pp 1, 8

[Article by Mario Sanchez P.]

[Text] Even though negotiations between leaders of the transportation union and the government did not resume yesterday, the executive branch today called for an end to the strike, while announcing that it is implementing a number of economic measures that were previously rejected by the unionists as being inadequate, even though these met part of their demands.

Meanwhile, the transportation leaders called in unison on their rank and file to continue their peaceful national strike and disregard any call for demobilization that does originate from the union leaders.

The transportation leaders held a news conference almost one hour before a news conference by Presidency Minister Antonio Lacayo and the economic cabinet at the Olof Palme Convention Center, where the government announced unilateral measures which, as expected, have not been accepted, much less supported, by transportation leaders.

Will Talks Continue?

While Minister Lacayo claimed that the negotiations were not closed but would resume at the Construction and Transportation Ministry tomorrow, union leaders Marcos Gradiz and Roberto Gonzalez said the Superior Transportation Council and the National Transportation Commission asked the government to reconsider and not impose unilateral measures regarding this issue.

Gradiz and Gonzalez added that instead of working toward a peaceful and concerted solution with the union, a unilateral decision by the government ran the risk of turning what is now a peaceful demonstration into a conflict that could have serious consequences.

Besides asking the government to reconsider and analyze any decision before taking action, the transportation workers asked the government to seek alternatives for a peaceful and concerted solution. They also asked that the negotiations which were not held on Sunday be rescheduled for this morning.

Definitive Decision

Gonzalez said that when negotiations were discontinued Sunday night, the transportation leaders believed it was

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better to continue the negotiations without any time limit today, until a definite agreement was reached by the two parties.

Gonzalez told the government that "it was better to avoid a difficult situation by not announcing a unilateral decision by the executive branch." Marcos Gardiz emphasized that "a unilateral decision would not foster in any way a solution to the transportation crisis," which entered its seventh day today.

"There are still alternatives to reach an understanding and avoid confrontation," Gradiz told President Violeta Chamorro's government.

Meanwhile Minister Antonio Lacayo said—30 minutes after the transportation workers ended their news conference—that for five days the government had exhaustively sought a peaceful solution to the crisis but that a mutual agreement had not been possible. Lacayo added that the government "waited patiently for the transportation representatives Sunday afternoon, but they did not arrive at the Olof Palme Convention Center."

Pablo Vigil admitted that 30 minutes before the government's news conference the economic cabinet had received Marcos Gradiz's call for reflection and a continuation of the talks today. He added that the economic cabinet analyzed his request but unanimously decided to announce the government measures that supposedly meet the union's basic demands.

Monthly Allowance

Thus, he urged transportation workers to return to work today because there is no longer any reason to continue the strike, since the government met the unions' demand to reduce fuel prices by giving urban public transportation service drivers monthly allowances of 20 gallons of diesel during 25 days of each month.

The government said that the cost of diesel is the lowest in Central America because it was reduced 44 centavos and is exempt from the monthly circulation [desplazamiento] tax. This is not true for the rest of the population, which must pay monthly increases.

The government will distribute the monthly allowance after accumulating 56 centavos per gallon of fuel consumed. The government also says that the current price of that fuel will be maintained until 31 December 1994. The government has ordered that fares remain at 85 cents.

The Gasoline Case

In the case of urban transportation, an allowance will be distributed after accumulating 24 centavos per gallon for each 20 gallons used daily. A budget for 1,600 vehicles, supposedly the numbers of vehicles in the interurban fleet, will be established.

The government also announced that for gasoline it will grant an allowance of one cordoba per gallon consumed up to a maximum of six gallons used per day for which it has a budget to cover allowances for 2,500 taxis.

These allowances will be given to cooperatives and transportation companies recognized by the Construction and Transportation Ministry and authorized by the Labor Ministry. The allowances will be granted until 31 December 1994.

Minister Lacayo said this did not at all imply a breakdown in the negotiations which should continue tomorrow. Lacayo also said policemen would not be used to force transportation workers to stop their protest or to force them back to work.

Lacayo said that the government would use the National Police to maintain order and to protect transportation drivers who want to work.

Mendieta Will Reinforce Police

Minister Alfredo Mendieta added that the National Police is being reinforced with patrol units to guarantee the free and safe circulation of transportation drivers who want to work.

Questioned by EL NUEVO DIARIO about the government's unilateral decision, that is, without having exhausted all the options for a solution through negotiations or having given the people the assurance that the crisis would be solved without the use of force without leading to violence, Lacayo said that the people cannot expect that the government will never use threats in the future. He added that the announcement of these measures was for the sake of peace and tranquillity of the population.

Shortly thereafter, Marcos Gradiz replied to the government that those measures will not solve the complex problems of the transportation workers but that they are a band-aid that would soon break and that the transportation workers still hoped the government would make an in-depth study on the seriousness of the conflict and seek a peaceful settlement along with the union.

Gradiz said that even though some transportation workers might return to work the transportation strike would not be lifted, nor would that solve the lack of transportation affecting the population, because in general the strike will be firmly maintained and the organizations that lead it will remain united.

Also, the transportation workers rejected the economic measures that allegedly met the unions' demands and emphasized that the negotiations were bogged down, creating the current tension, because the government emphatically refused to comply with Article 74 of the General Law For Cooperatives that exempts cooperatives from all taxes.

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Panama

Assembly President Urges 'Commitment to People'

PA0509012794 Panama City Radio and Television Networks in Spanish 1740 GMT 1 Sep 94

["Message to the Nation" by Balbina Herrera Arauz, president of Panama's Legislative Assembly, during the inauguration ceremony for Panamanian President Ernesto Perez Balladares at the Atlapa Convention Center in Panama City—live]

[Text] Your Excellency Ernesto Perez Balladares, president of the Republic of Panama, good morning; Supreme Court Justice Arturo Hoyos; honorable legislators; Your Excellency First and Second Vice Presidents Mr. Altamirano Duque and Felipe Virzi; honorable former President Guillermo Endara Galimany; Your Excellency Comptroller General Jose Chen Barria; honorable former presidents of the Republic of Panama; Your Excellency Monsignor Jose Dimas Cedeneo, archbishop of Panama; Your Excellency Osvaldo Padilla, his holiness' apostolic nuncio and dean of the diplomatic corps; honorable Supreme Court justices; Honorable Mr. Alberto Fujimori, president of the Republic of Peru; Your Excellency Mr. Jose Maria Figueres, president of the Republic of Costa Rica; Your Excellency Mr. Rafael Calderas, president of Venezuela; Your Excellency Mr. Ernesto Samper Pizano, president of the Republic of Colombia; Your Excellency Mrs. Violeta Chamorro, president of the Republic of Nicaragua; Your Excellency Li Yuan-zu, vice president of the Republic of China; Your Excellency Juan de la Cruz Avelar, vice president of the Republic of Honduras; Your Excellency Alberto Dahik, vice president of the Republic of Ecuador; Your Excellency Felipe Pons, president of the Congress of Deputies of Spain; Your Excellency Evelio Fernandez Arevalo, president of the Congress of Paraguay; your excellencies members of special missions; your excellencies ambassadors of diplomatic missions and international organizations accredited to our government; distinguished special guests; distinguished representatives of political parties; your excellencies mssrs. ministers; deputy ministers; ambassadors; governors; designated directors and assistant directors of autonomous institutions; distinguished members of the national and foreign media; Panamanian people: [applause]

I will try not to be overcome by emotion during this historic and very special moment in my personal and political life so that I can continue to read this speech.

I want to say this is the beginning of a very special day for the country, for future generations, the generations that, perhaps, did not have the opportunity to share experiences such as this one.

We are about to end a century; we will be beginning a new century in five years, but it is the responsibility of this government and this Legislative Assembly to lay the groundwork in conditions that guarantee economic development, growth, social justice, and well-being, all of it within the framework of a free, sovereign, independent, and democratic homeland. [applause]

We know this is not an easy task. The Panamanian people are demanding a government that will solve the following problems: We must erase the bad image of government officials who did not keep their promise to solve the problems of employment, health, education, and security. [applause] They are also demanding we adjust to the quick and sudden changes the world has experienced. We must regain credibility.

Power has been surrounded for many years by manipulations and greed, which distorted its essence. Power has been insensible to the people's wishes for changes and modernization. It is a power that has been designed and used to repress instead of to promote freedom of expression. This power has worked against the Panamanian civilian society instead of strengthening it. This power, which is essential for development, is a source of the people's distrust.

This Assembly has a challenge: to assume a changing leadership. It is a leadership that must promote the compliance of commitments made to the people, commitments that have been ignored. It is a leadership that must adjust to the pace and speed of changes in the world, changes that mean competition in economic affairs, a different leadership in political aspects, and a better standard of living for all citizens in the social area. The challenge consists of correcting how power is exercised, a power that must promote freedom of expression for the people without repression. It is a power that must be perceptive to the needs of citizens and that will strengthen the organization effort. This way is the only one to regain the Panamanians' credibility and self-esteem.

We are aware changes are the only permanent things in the world. Changes demand that we modernize our old information and administration systems as well as the daily decisionmaking policies.

We are at a critical stage of changes, and this Legislative Assembly wants to redesign old styles, concepts, and values of political activity. This Assembly intends to use a different leadership for the Panamanian people. This commitment means we will work in harmony with the executive branch and in agreement with the administration of justice. It is vital for all three branches to maintain a harmonious relationship; this is the only way to guarantee not just a government administration but a state administration, because we want to communicate with the people, as Torrijos taught us.

Our commitment with the Panamanian people [applause] is not for five years only; this commitment is for the future. It has a historic significance and must generate trust in order to achieve Panama's dignity, well-being, sovereignty, and development.

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It is vital to have a government based on a harmonious relationship among the three branches to communicate with the people; to do so, we must consider the following: We do not only need financial resources but human and material resources to run a government. We also need new ideas to apply them in our work.

The magnitude of the sociopolitcal project means our political will is closely linked to our country's political project.

The ability to govern, which is an essential requirement to do an effective and efficient job, can only be possible by seeking unity among our diverse political ideas and a working method that is applied through a concerted effort. It should not be, however, a circumstantial concerted effort for each political decision we have to make. There should be permanent, healthy, honest, and sincere agreements that will help us grow as a political organization. These agreements will increase our esteem as an organization and as a people and will help improve the standard of living for the neediest sectors.

Let it be clear our people reject leaders who are insensitive to the needs of the poor. Our people are demanding a method of government that includes permanent consultations and domestic tours by their leaders and the working teams at the district level. [applause] They will be jointly seeking solutions the country needs with men and women of the city and the countryside, as well as with workers and businessmen.

Our people are demanding an efficient, consensus oriented, honest, and human assembly. The democratic consolidation of Panamanian institutions is a task that concerns all Panamanian political sectors. It is particularly a task of the legislators who make up this state branch.

We are aware of our responsibility in this parliament and of the great commitment that demands that we adjust our pace along the broad and complex path of modernization and change.

Within the framework of our main duty to legislate and supervise the Assembly, our proposal for modernization includes: developing and consolidating information mechanisms to support and strengthen the legislative work; strengthening the area of technical advice for the Assembly presidency and the permanent working commissions; improving the training of administrative personnel; developing better communications between the Assembly and the citizens through offices and instruments that will redefine the relationship between the media and the legislature; promoting the modernization of Assembly activities through necessary equipment and personnel training.

These tasks we set out to fulfill include a priority: the approval of the legislative career. We will do whatever is necessary to make this a more expeditious, communicative, rational, legislative body, one that will be in line with the legislation our people are demanding, but, especially, a more human legislature.

We are worried about the campaign against the Legislative Assembly; it is a campaign aimed at discrediting and belittling it. Worst of all, this has been possible because certain parliamentarians, in improvising, exhibited a lack of enthusiasm and vision about our role in and commitment to the Republic.

We must undeniably begin an institutional project for the Legislative Assembly. It must be the only and true path to create a new image. As Assembly president, I vow to begin this process of modernization with the support of all legislators, always within the parameters of efficiency, professionalism, quality, participation, and consultation.

As proof of our devotion to duty, the Assembly Board of Directors just elected by our colleagues will work on Friday, 2 September; Saturday, 3 September; and Sunday, 4 September, to establish the permanent working commissions and begin to affirm the appointments of directors of autonomous and semiautonomous agencies of this country. [applause]

The new legislative tasks for the 1994-1995 period include constitutional reforms. Another basic aspect is the law that will establish the administration of the Panama Canal beginning in the year 2000. In addition, there is the review of the law that created the Interoceanic Region Authority [ARI]. [applause] This review is necessary so the Panamanian people will have no doubt that the areas, properties, and installations that have reverted and will be reverted will be used in a more orderly, efficient, expeditious, and honest fashion, without any political interference or family influence.

The ARI is an institution that manages properties that belong to the Panamanian people. The struggle for the people has claimed many lives as well as resulted in large property and economic losses. [applause]

The discussion and approval of the General Plan for the Use of the Land and Development of the Canal Area will also be included. This plan will establish a better and more efficient use the Republic of Panama will give to the military bases that will revert in the next five years.

Regarding education, this Assembly will participate in the discussion of changes needed by Panamanian education. We will discuss during this period a bill submitted by the National Commission-Coordinating Board for Education and the amendments to laws regulating the University of Panama.

The topic of education merits a special debate. If our people, the country's main resource, is left behind in education, the nation will also remain behind. If, on the contrary, we prioritize overall training and education as a way to guarantee development for the current and future generations, Panama will be able to face the challenges of the coming century.

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Education is not an expense but, rather, the best investment, because it involves the optimum training of our human resources.

Regarding judicial matters, we will discuss reforms to the Penal Code. We will review the law regulating the Judicial Technical Police, adjusting it to the guidelines for which it was created. [applause] The lack of security for the people is one of the main concerns of Panamanian society. The Assembly will act to provide institutions in charge of social order and public security with all the legal instruments they need to make their job easier.

This Assembly will discuss social welfare bills such as health, housing, employment, ecology, agriculture, and, specifically, the Social Security Fund law with regard to the ages for retirement and pensions of its members. [applause] This discussion will be done always taking into account the interests and needs of the majority.

The Legislative Assembly and the other branches of the state: Our supervisory and control duties will be at the service of our people's best interest, the branches of the state, and society in general. Without hurting our institutional autonomy, we will check that budget allocations are adequate and that it is complied with, particularly regarding investments. We want to emphasize the reason for no water, electricity, or street repairs will not be for a lack of budget. [applause]

The Assembly, society, and concerted efforts: This Legislative Assembly pledges to promote these mechanisms of participation. No important issue requiring legislation will be approved until society discusses it thoroughly. We will not rest in our attempt to consolidate the democratic method that will lead us through a broad path of dignity, respect, and full understanding of our values.

We must redefine institutional plans and policies that need to be followed to reach a social wellbeing within a sustained economic order without isolated growth at the expense of our people's social development.

Despite an improvement in the Panamanian economy, the situation of most people indicates a noticeable deterioration, while the concentration of wealth is increasingly in the hands of a social minority. Society must be aware that such poverty cannot continue, because it endangers social peace and the democracy the nation wants. [applause]

Panamanians must be aware that we can only progress with everybody's help. A social [passage indistinct] to attain this goal. A concerted effort will be successful to the extent all sectors truly participate. Flexibility and a search for consensus in this effort must be factors that will help find viable solutions for all. The other path is to repeat the errors that led the nation to traumatic situations that are a bitter memory for all. The Legislative Assembly will make every effort so that the laws debated and approved by it will be the result of a national agreement.

We tell businessmen they can be certain this Assembly will create laws that will guarantee the climate of trust needed for investments. Working in this direction, we will establish communications and consultations with all productive sectors to reach our goals.

We cannot refrain from mentioning the role of Panama and the United States in this speech. All Panamanians know the relations with the United States, due to the Canal and related matters, have gone through very difficult and unpleasant stages.

We saw a historic coincidence during the 1970's, when most Panamanians were almost certain we could not get a just and equitable treaty: the appearance of two political leaders, Omar Torrijos Herrera and Jimmy Carter [applause], who reached the coveted goal—the signing of the new treaty. We ask ourselves, what made such a negotiated solution possible after such old causes for conflict between the two countries?

We are convinced that the fact there was a common consensus, a consensus that was essential for both Panama and the United States, that the Canal had to continue running efficiently as it had been up to now had played a key role in the negotiated solution. The two countries can teach the world they can have a dignified relation, a relation of mutual respect. Situations such as those that led to the ill-fated actions that paved the way for the 20 December 1989 invasion must never occur again. [applause]

We have a United States working with Panama in compliance with the Torrijos-Carter Treaties and in modernizing the Canal. We have a United States overcoming the role as the world's policeman to become a leader of peace and development. Military invasions, blockades, and economic sanctions are inhuman anachronisms of our times, and they must never be repeated on this continent. [applause]

Regarding international affairs, we must establish priorities. We must work to recover the excellent relations we maintain with South American countries and Latin America. The struggle against drugs must be intensified, because our people's health depends on its success. We must strengthen interparliamentary relations, emphasizing an opening with Europe and Asia.

We must get closer to African parliaments. We must learn from the extraordinary experience stemming from the victory of Nelson Mandela and the African National Congress in South Africa [applause], and we must be more sensitive toward a solidarity with the African nations that are still fighting for respect for their identity and national integrity.

We must promote a special and mature relationship with the U.S. Senate and Congress to discuss topics that are common to the two parliaments.

Final objective: I must praise today the assumption of our Revolutionary Democratic Party to power.

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[applause] It could not be destroyed; it could not be defeated; it was able to return to power and deliver to President Perez Balladares the banner and the opportunity to comply with Omar's final objective. [applause]

Here is a great example. The social origin of Perez Balladares, our president, my friend and fellow party member, is different from mine. The distance between my low class origin and that of the productive business-managerial sector, which is his origin, has not prevented us from having a sincere friendship and, much less, sharing a political ideology, an ideology aimed at perfecting the national independence. Such an origin has not prevented us from being members of the same party. We are both indebted to Omar, to the Torrijist ideology. [applause]

I trust the work of Perez Balladares. I trust his work as president. I also trust his loyalty to the Panamanian people. He knows I will staunchly defend the independence of the legislative branch. I will do it with the same firmness with which I will demand a harmonious relationship among the branches of the state.

I cannot leave this room without discussing the role of women in politics. [applause] I became today the first woman to become president of the Panamanian legislature after more than 90 years of existence as a Republic. [applause] To get here, the efforts and limitations I, as a woman, had to face and overcome have been many, but it is not a matter of personal success. I acknowledge that I am a member of the long, beautiful, and—many times—misunderstood struggle by Panamanian women to change their lives into something more beautiful, human, and solidaristic.

I recall with gratitude at this time Clara Gonzalez de Beringuer; Ester Neira de Calvo; Gumercinda Paez; Sara Sotillo; Otilia Arosemena de Tejeira; Marta Matamoros; Thelma King; and Sotera Martinez. [applause] They are among so many valuable Panamanian women who understood with great vision the need to overcome the ostracism to which women were subject.

For this reason, aside from the honor and personal satisfaction I feel due to the position I hold now, my new political tasks represent a commitment and a challenge I firmly accept. It is a commitment with the women's social movement and the nongovernment organizations working to improve the conditions of women and to support legislative efforts to promote a better situation for women, particularly for the most poor. It is a challenge, because the political system is the least permeable for the demands of women.

I do not forget my origin, nor do I fear challenges. It is hard to imagine that a woman whose childhood took place in the poorest neighborhoods of this capital could reach such a high position. I am a woman to whom Maranon, Curundu, Chorrillo, and San Miguelito [applause] are part of my own existence. [applause] My birth and growth in Maranon, a low income neighborhood; my school years at Pedro J. Sosa Elementary School and at the glorious National Institute, including my student struggles and my participation in the Federation of Panamanian Students; and my university career are all indelible marks of the commitment I have to improve the conditions of my compatriots.

I thank my family and everyone who helped me shape my professional, personal, and political career in one way or another. Most of all, I thank God for this new opportunity to serve my country. I reiterate my commitment to permanently fight to guarantee to the new generations a society capable of facing the challenges of the 21st century.

I cannot—to end now for sure—leave this podium without paying recognition to San Miguelito District, [applause] which has allowed me to participate in political activities three times: once as mayor from 1984 to 1989, as a legislator from 1989 to 1994, and again as a legislator who was reelected with the largest number of votes in the country. [applause] I could not leave this room without telling my district I will not disappoint the trust the people of San Miguelito have placed on me. The president, the San Miguelito work team, and I will do everything possible to improve the standard of living of the people there.

I also want to share with you the recognition of a woman who has brought me to the place where I am—my mother. She is among you, and I ask you for a big round of applause for her. [applause] With her courage, she raised six professionals. She is part of that large number of women in this country who head families. To you and my brothers, thank you for allowing me to get where I am.

To my three children, I tell them from this podium that life is very difficult, but one has to tenaciously struggle, because one can do it. I would have liked to be with you today, but everything has a price in life. To you, I say I love you, and from here I send you this message.

I also want to publicly thank Dr. Carlos Calderon Merchan, my companion, for the great emotional stability, the encouragement to excel, and the support he has given me so I could become the woman I am today.

Thank you all. Thanks, Panamanian people for this opportunity. We will not disappoint you. Long live Torrijos! Long live Panamanian women!

First Group of Cubans From Guantanamo Arrives

PA0609232194 Panama City ACAN in Spanish 2239 GMT 6 Sep 94

[Text] Panama City, 6 Sep (ACAN-EFE)—The first group of Cuban refugees sent to Panama arrived today at Howard Air Force Base, near the capital of the isthmus, aboard a military plane, U.S. sources reported.

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A U.S. Southern Command spokesman told ACAN-EFE that this first contingent of rafters is made up of 64 people, who, after being identified and registered by Howard military personnel, will be transferred to one of four camps erected to give them shelter and which have a capacity of 10,000 people.

According to the Southern Command, a second plane carrying 64 other Cubans, which left the U.S. base at Guantanamo, will also arrive in Panama today.

Foreign Minister Denies Cubans' Rights Violated

PA0609191394 Panama City Telemetro Television Network in Spanish 1730 GMT 6 Sep 94

[From the "Telemetro Reports" newscast]

[Text] After a meeting this morning with legislators from the PRD [Democratic Revolutionary Party], including the president of the Legislative Assembly, Foreign Minister Gabriel Lewis Galindo announced the Cuban rafters will arrive this afternoon at 1500 [2000 GMT] and that they should be considered U.S. guests, not refugees.

[Begin recording] [Lewis Galindo] They will arrive at 1500. I understand the Cubans' arrival was delayed by logistical problems in Suriname, where groups of Haitians are also being transferred. I believe this is also starting today, although I cannot confirm it.

[Unidentified reporter] The president of the Panamanian Human Rights Committee [CPDH] has said that the way the Cubans will be kept here violates international human rights agreements Panama has signed.

[Lewis Galindo] It is very unfortunate that the CPDH president, in his eagerness to be in the limelight, has made such statements without even visiting the site of the camps. Panama is not violating human rights agreements in any way.

Panama has just received an official message from the United Nations in which it says the Cubans do not have refugee status. Panama has asked the United Nations to act as an observer to monitor the respect for human rights in these camps, and this is something we have demanded. The United Nations has gladly accepted this and has several officials here. We believe this is the right organization to do this, because it will report every week to Panama on the situation at the camps. [end recording]

Foreign Minister, Legislative Head on Cuban Rafters

PA0709015794 Panama City Circuito RPC Television in Spanish 2300 GMT 6 Sep 94

[Report by Victor De la Hoz; from the "RPC Television News" newscast]

[Text] Foreign Minister Gabriel Lewis Galindo said today that responsibility for the Cuban rafters' stay in Panamanian territory will fall upon the U.S. Government. Lewis Galindo said this upon leaving the presidency, where he met with PRD [Democratic Revolutionary Party] legislators in connection with his upcoming appearance on Wednesday before the Legislative Assembly, where he will report on the arrival of the Cuban rafters in Panama. Gabriel Lewis Galindo emphatically stated that the Cuban rafters will be overseen by the United Nations.

[Begin recording] [Lewis] The United States is bringing these people here as their guests to areas under U.S. military control.

[De la Hoz] Do you place all responsibility on the Southern Command from now on?

[Lewis] The responsibility belongs entirely to the United States, but because they are on our territory, we will monitor the situation through the United Nations.

[De la Hoz] The Cubans are supposed to stay six months. Could this be extended?

[Lewis] We have authorized six months, and the U.S. Government has promised to take them away in six months. I do not see why we should have any doubt that the United States will keep to its word. [end recording]

Legislative President Balbina Herrera stressed that Panama could well be part of the solution to Cuba's crisis.

[Begin Herrera recording] Why not? Panama's position has been one of support for the Cuban rafters. We know that the U.S.-Cuban talks have not come to any definite conclusions, and I believe that now that we are part of the issue, we should in one way or another be part of the solution to the problem of the Cuban people. That is why we believe that in the same way we are providing humanitarian aid to the rafters, we also have every right to say: Gentlemen, we should lift the blockade of Cuba. [end recording]

Balbina Herrera stressed that Panama should take the lead to serve as a mediator for Latin America's problems.

Editorial: Cuban Rafter Decision 'Humanitarian'

PA0609155394 Panama City LA ESTRELLA DE PANAMA in Spanish 6 Sep 94 p A4

[Editorial: "The Presence of Cuban Refugees in Panama"]

[Text] Without it being a surprise, the national government, through Foreign Minister Gabriel Lewis Galindo, has announced the signing of a bilateral agreement between the United States and Panama through which our country will accept the presence of 10,000 Cuban refugees at military bases in the Panama Canal Zone. According to this announcement, the first group of 2,500

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Cubans should be arriving at any moment from the base at Guantanamo, a U.S. military installation on Cuban territory.

We have been highlighting the enormous problem that the Haitian and Cuban refugees constitute for the powerful nation of the north. Because of the media coverage at the continental level and because of the political force that Cuban exiles represent, the case of the Cubans seems to have nearly completely overshadowed the anxiety over the invasion of Haiti. Because of the complexities surrounding both cases, the Clinton administration has been requesting the solidarity and cooperation of some Latin American nations, including ours.

We must recall that in both cases, the U.S. leader asked the Panamanian Government to agree to shelter 10,000 refugees in our nation's territory. All Panamanians know the incidents that frustrated the request presented to the past administration. On this occasion, taking advantage of the fact that the new Panamanian president had said he would accept, for humanitarian reasons and under specific conditions, the arrival of a large group of either Haitian or Cuban refugees, an agreement has been signed to provide shelter on the military bases to those thousands of rafters who have fled from the conditions of misery existing under Fidel Castro's regime.

For Panamanians, a decision of this nature does not constitute any problem if we remember that the North Americans will be the ones to shoulder all of the expenses for the transfer of the rafters from Guantanamo to Panama and their stay in camps erected for this purpose. The North Americans also have promised to honor the six-month timeframe established under the bilateral agreement. The doubts and even fears among our fellow countrymen had been that the presence of these refugees, Haitian or Cuban, would become an economic burden for the Panamanian people.

There are all sorts of social needs in our country. Fortunately, there is no reason to have such fears. The Clinton government will deal with the eventualities that might arise from the program for the Cuban refugees. We must not forget that at this time, direct negotiations are being held between Cuban and U.S. Government delegations on the mass migration across the Florida Straits. An agreement might emerge from those negotiations to resolve this problem for the U.S. and Panamanian governments.

Nevertheless, for many of our fellow countrymen, it is inexplicable that, having found shelter for more than 15,000 Cubans at Guantanamo, the U.S. Government has had to turn to Panamanian Government leaders to transfer them to military bases in the Canal Zone under the same conditions. The Panamanian Government's position has been one of solidarity and humanitarianism. In this way, it is trying to cooperate in the solution of a complex and extremely worrisome problem for the Clinton administration. This sacrifice by our government leaders must be appreciated in all its dimensions by the leaders of the powerful North American nation.

Although this problem is on the way to being solved, the conditions under which the Cuban refugees will stay in those camps is still worrisome. A six-month confinement, under permanent watch, and under conditions a bit similar to a concentration camp, does not represent the best possible example of upholding human rights. If we do not remember this, later we will be unable to understand the frustration of these Cuban citizens, who risked their lives in flimsy rafts to reach a better life and suddenly found themselves constricted by a wire fence, unable to leave the area, and subjected to strict military discipline.

These are real situations we must accept if we want "Operation Safe Haven" to benefit as much as possible the Cuban rafters who, we are sure, tried to reach the Florida coast in search of a better life. The Panamanian people must also remember this in order that the agreement signed between the two governments will be fulfilled to the letter. Otherwise, we will be placing a heavy burden on the shoulders of our fellow countrymen instead of participating in an act of solidarity.

Column Questions Cuban Rafters' Length of Stay

PA0609151294 Panama City EL SIGLO in Spanish 6 Sep 94 p 2

[From the "Forum" column]

[Text] The Panamanian Government's approval of "Operation Safe Haven," which allows the arrival of Cuban "rafters" in our country, has elicited a number of reactions—some in support of the move, some against it.

Most of the doubts concern the scope of assistance we are offering to Cubans according to human rights guidelines, because these guidelines may require more benefits than the Cubans will indeed be granted under the operation. The other issue that concerns us is the one regarding the possibility of extending this assistance beyond the agreed-upon six-month timeframe.

Such doubts must be dispelled based on the following reasons: The rights, services, and overall commitments that could affect the rafters will directly and exclusively fall on the U.S. Government, because this is what our government and the Washington government have agreed upon. In order to carry out this humanitarian effort, Panama is providing only the place and time, while the United States is providing everything else.

As far as a new agreement on whether the Cubans' stay in the places now assigned to them will be lengthened, there is no room for concern, because, in replying to a question on this issue, Foreign Minister Gabriel Lewis Galindo made a wise and definitive remark: "THEY WILL STAY HERE AS LONG AS PANAMA WANTS THEM TO STAY HERE."

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This answer indicates that only our people and their government will make the sovereign decision on whether their stay will be extended or will conclude within the agreed-upon six-month period.

As these words were said, all reasonable doubts were dispelled.

Column Critical of Charges on Cuban Rafters

PA0609152594 Panama City EL SIGLO in Spanish 6 Sep 94 pp 4, 5

[From the "Undesirable Journalist" column by Carlos Singares: "Rafters in Panama"]

[Text] The new government authorities have very justly decided unilaterally to accept in our territory up to 10,000 Cubans who are fleeing Fidel Castro's dictatorship in rafts.

I have heard the debates of the legislators from the ill-named opposition who say they disagree with the methods used to decide on the arrival and housing of the Cubans because "they say" there should have been a referendum to determine whether the Panamanian people supported the government's decision.

This position adopted by the pseudo-opposition is most absurd and meaningless. I insist it is a false opposition, because the issue of the Cubans and the Haitians has been a topic of discussion for several months now, and this is not the first time the subject has been brought up.

It is a "cosmetic" opposition and an opposition of lies, because a true opposition wing should ask the new government who will be pardoned, as well as ask why the president is planning to pardon common criminals from the PRD [Democratic Revolutionary Party] who have been accused and tried for multimillion embezzlements. Why does the opposition not ask Dr. Ernesto Perez Balladares about the Van Dam case? Why? Because it is a very uncomfortable question for an opposition that is trying to please the president to obtain some "political opportunities" and government payroll jobs.

The government position is correct, because we cannot expect anything else from the PRD. That is the way they are; remember the fable about the scorpion and the little frog.

At any rate, the decision has been made, and the rafters are in Panama where they should be treated as people and not as prisoners. Democracy has much to offer those who have experienced persecution, torture, mistreatment, hunger, and poverty. The Cuban rafters could very well integrate themselves into Panamanian society, because they are people who have education and training. Welcome Cuban brothers!

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Argentina

Menem Endorses Japan for Permanent UNSC Seat

OW0409012094 Tokyo KYODO in English 0104 GMT 4 Sep 94

[Text] Buenos Aires, Sept. 3 KYODO—President Carlos Menem reiterated Argentina's support for Japan's bid to become a permanent member of the UN Security Council in a meeting Saturday [3 September] with Foreign Minister Yohei Kono, Japanese officials said.

The officials said Menem praised the Japanese people's strong awareness of the need for nuclear disarmament and pledged his country's efforts to work toward that goal.

Kono said key global issues should reflect the views of nonnuclear states, alluding to the Japanese campaign to become a permanent member of the UN Security Council, whose current permanent members—Britain, China, France, Russia and the United States—all possess nuclear weapons.

After the meeting with Menem, Kono left for Cairo, where he will attend the U.N.-sponsored international conference on population and development.

Kono, who is also deputy prime minister, is currently on a four-nation trip, which has already taken him to the United States and Brazil. He will return to the United States for trade talks before coming back to Tokyo.

Di Tella Backs Bid for Permanent UNSC Seat

OW0309035594 Tokyo KYODO in English 0336 GMT 3 Sep 94

[Text] Buenos Aires, Sept. 2 KYODO—Argentine Foreign Minister Guido di Tella said Friday [2 September] Argentina will back Japan's bid for a permanent seat in the UN Security Council [UNSC].

Di Tella renewed Argentina's support for Japan's desire to seek permanent membership in the Security Council in a meeting with Japanese Foreign Minister Yohei Kono, officials said.

Di Tella said Japan as a major country in the international community should join the Security Council's permanent member states and it is anachronistic Japan as well as Germany have not acquired the seat.

The Argentine foreign minister also expressed his hopes toward Japan's international contribution, saying Japan has solid goals for its diplomacy and has continued efforts toward these cautiously and persistently.

Kono replied Japan is ready to make as large an international contribution as possible within the framework of its Constitution, the officials said.

Argentine President Carlos Saul Menem endorsed Japan's bid for UNSC permanent member state last November, when he visited Japan.

A UN panel adopted a report Friday urging further discussion on strengthening the Security Council.

Kono, also deputy prime minister, is visiting Argentina as part of his four-nation tour.

He earlier visited New York and Sao Paulo, and will also visit Egypt, where he will attend the U.N.-sponsored International Conference on Population and Development before visiting Los Angeles to attend a meeting of trade ministers from Japan, the United States, Canada, and the European Union.

Di Tella Addresses Cairo Conference

PY0609150294 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2030 GMT 5 Sep 94

[Text] Buenos Aires, 5 Sep (NA)—During his address to the World Conference on Development and Population in Cairo, Foreign Minister Guido di Tella today ratified the Argentine Government position against abortion.

In his address, which was disseminated here by the Foreign Ministry, Di Tella said: "The practice of abortion compromises and violates a human life which enjoys a pure dignity of rights that are different from those of a mother. This situation is symptomatic of a failure of family planning."

The foreign minister indicated that Argentina's population policy "stems from the principle that human life exists from conception until natural death occurs."

In another passage of his address, he said that any practice which results in an attack against life is repudiated, for example abortion, genetic manipulation, and euthanasia." [no opening quotation marks as received]

Di Tella participated today as chief of the Argentine delegation at the opening of the conference. He said the decision "regarding the number and the spacing of the children and the capability of procreation are in essence circumscribed to the family sphere."

He added: "The decision must be made freely and responsibly without external coercion by the state, international organizations, or supranational organizations."

Di Tella met during the day with the heads of the delegations from Colombia, Chile, Guatemala, and Uruguay. He considers "poverty and underdevelopment are the two factors that could violate world security and democracy."

He maintained that it is impossible "to think about population without establishing a direct link with development and growth."

"The economic and educational improvement of women is a decisive factor due to its direct impact on the

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progress of the community," he said regarding the fundamental role of women within society.

The foreign minister, who today had a full agenda, will return to Buenos Aires on 6 September.

Deputy Foreign Minister Denies 'Apology' to Iran

PY0509233194 Buenos Aires BUENOS AIRES HERALD in English 3 Sep 94 p 1

[Text] Deputy Foreign Minister Fernando Petrella yesterday denied that Argentina had "apologized" to Iran in any way, insisting that there was nothing to apologize to Tehran for. The clarification came after Iran said it had received an "apology" from the Argentine government for having unjustly accused and later withdrawn charges against four Iranian officials in connection with the bombing of the AMIA/DAIA building.

The government, which had threatened to break ties with Iran following the July 18 blast that killed 96 people, sent a conciliatory note to Tehran earlier this week, eight days after charges against the Iranian diplomats were dropped for lack of solid evidence.

Although Iranian President Akbar Hashemi-Rafsanjani said yesterday that the letter amounted to an apology, Petrella denied this was the case, "I do not think that note contains any apology," he said, "I fail to see any reason for that."

Rafsanjani said in a prayer sermon yesterday that the note "does not contain the word "apology," but (it amounts to one) when the Foreign Ministry writes a conciliatory letter while until recently they accused us of going there and exploding a bomb." Petrella explained that the charges against the Iranians had not been made by the Argentine government but by Judge Juan Jose Galeano, adding that the "judiciary is independent."

Cubans' Plight Posing Dilemma for U.S.

PY0209161894 Buenos Aires LA NACION in Spanish 29 Aug 94 p 6

[Editorial: "The Drama of the Cuban Raft People"]

[Text] Day after day, thousands of Cubans venture into the sea in flimsy craft, seeking a better standard of living than the precarious subsistence proposed by the authoritarian and self-centered regime headed by Fidel Castro. They are facing a fate full of risks and dangers in which they can no longer envision, at least for the time being, the until recently still attainable hope of receiving asylum in the United States.

The wave of immigration increased very rapidly after last month's incidents, when the desperation of the prospective exiles erupted into unprecedented acts of violence on the Havana pier and, according to reports by anti-Castro organizations, in other cities on the island. After these incidents, and it will be for history to determine whether they mark a turning point with regard to Castroism's perdurability, the gates were thrown open for those who choose the insecurity of a hazardous voyage rather than enduring the hardships of a daily life in which the possibilities of subsistence are seemingly scarce.

The act of allowing the departures cannot be assessed as a sign of detente on the part of the strict political regime prevailing in Cuba. The permission represents, rather, a maneuver seeking to transfer responsibilities to the U.S. Government, which, according to a unilateral assessment made by Castroism and its advocates abroad, has caused the difficulties borne by the Cuban economy.

Advised, as was predictable, of these intentions, the U.S. authorities responded by closing the U.S. coasts. The unrestricted reception of forced immigration became something like impassable patrolling. Instead of a cordial welcome, the raft people [balseros]—a neologism that already has been used around the world, like the word marielito [referring to the Cuban port of Mariel, the point from which thousands of Cubans left for the United States in 1981]—find themselves, after their journey, inside the shacks of the U.S. naval base at Guantanamo where, under the force of circumstances, they have to share their hardships, characteristic of any confinement, with the refugees from Haiti.

Tension grows as the raft people, despite the realization that they are taking an insecure path, do not give up their attempts. Urged by these events, Fidel Castro has asked the United States to accept the initiating of high-level bilateral talks to resolve the disagreements that prompted the trade embargo allegedly causing the Cuban people's hardships. In principle, the U.S. Government has accepted the proposal, but the path toward frank talks is still strewn with problems.

The situation is delicate for President Clinton. He or his advisers must bear in mind the impact that a similar exodus—that of the marielitos in 1981—had on the subsequent career of another Democratic president, Jimmy Carter. President Clinton may also believe that a stern attitude might lead Castro to consider the alternative of liberalizing his 35-year authoritarian regime. But President Clinton cannot ignore the fact that a rejection policy might estrange him from vast domestic and foreign circles, which, siding with the weak, are counting the rafts and various craft that are discovered here and there, without their passengers, lost in the waters of the strait of Florida.

Squeezed between the two intransigent attitudes, the Cubans who are venturing into the sea are the victims of a drama in which their only responsibility might be the fact that 35 years ago they harbored a hope and now they are harboring another hope.

Menem Signs Decree Abolishing Compulsory Military Service

PY0109215894 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1225 GMT 1 Sep 94

[Text] Buenos Aires, 1 Sep (NA)—President Carlos Menem has signed a decree abolishing the compulsory

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military service and transforming it into a voluntary system. Congress now has to approve the decree, abolish the current law, and replace it with another law.

During a ceremony at the Government Palace White Hall yesterday afternoon, Menem noted that the youths selected to comply with their military service next year and those included in the exemptions established by the current law have been exempted.

This represents a sort of amnesty for about 300,000 citizens who, for various reasons, did not comply with their military service when they were called, such as conscientious objectors, students who asked for extensions, and deserters, with the exception of those who are involved in criminal cases being heard by the courts.

The appropriate decree exempting from military service those born in 1976, who had already been selected, rules nonetheless that these citizens will have to undergo the appropriate medical checkups.

After emphasizing that his government is managed "by deeds, and not by words," hinting at "demagogic promises" made by other administrations, Menem emphasized that "at least 25 percent" of the youths who are currently complying with their military service will remain drafted next year under the new system.

The president pointed out: "The compulsory military service will disappear, and an optional, but professional military service will become effective."

Menem said: "Those who want to join the Armed Forces will collect a salary, will enjoy social security for themselves and for their families, and will have the possibility of acquiring a profession, at a time when professionals are constantly in demand in the labor market."

The president emphasized: "I believe this represents a very good opportunity for those ranging from 18 to 26 years of age, who are looking for a job and want to study while complying with this voluntary military service."

Government Launches Work Training Program

94SM0451A Buenos Aires CLARIN in Spanish 28 Jul 94 p 26

[Text] The government has launched a youth job training program. Some 200 people, some of them elderly, stood for more than an hour at the ceremony in the Casa Rosada. That was the setting chosen by President Carlos Menem and Ministers Domingo Cavallo and Armando Caro Figueroa to present the Productive Reconversion Support Program (PARP). Among those in attendance were businessmen, teachers, and students in job training courses and internship programs.

Financed with $400 million, of which $250 million will be lent in principle by the Inter-American Development Bank (IDB) and $100 million contributed by the treasury, the PARP's main component will be the so-called Project Youth, under which 200,000 young people from all over the country will be trained over the next four years and will enter internships in businesses at a cost of 2,000 pesos each.

In his speech, Menem described the current unemployment rate (announced Monday at 10.8 percent) as "disturbing." He added a note of optimism, however, when he declared that the GDP [gross domestic product] has risen by 26 percent over the last three years, and will grow by another 8 percent in 1994.

"Unemployment in a country that is growing, consuming, and investing is not the same as unemployment in a stagnant country," Menem remarked. He emphasized the need to train young people in the latest technology. "Without that, it will be difficult for us to put the brakes on the trend toward joblessness, as has been done in other countries." Second, he stressed the importance of having won the cooperation of the IDB in this project, since "it is not easy to convince them."

He also highlighted the lack of understanding of the true causes of Argentina's trade deficit, which he believes stems from the purchase of modern capital goods by industrial firms to "prepare for competition in this increasingly global market."

Cavallo, who spoke along the same lines as the president, focused his speech on the war on poverty. In this regard, he stated that the notion that poverty has increased "is a bald-faced lie." On the contrary, he said that "we are seeing poverty levels that are half what they were in the 1980's, and a third of what we had during the hyperinflation." Even so, he acknowledged that "there are still many poor people," and that the best way to eliminate that scourge is through training.

The minister did not fail to mention the "large number of people from neighboring countries who come here to look for work because the wages here are much higher than in their home countries," and he predicted that "the record levels of economic growth will be maintained in the future because they are occurring in an economy with solid foundations."

Caro Figueroa also mentioned unemployment, attributing its increase to the delay in approval of measures to make the labor market more flexible. He stressed the importance of the agreement between the Argentine Industrial Union (UIA) and the General Confederation of Labor (CGT) to clear away obstacles to labor reform.

The Program

In addition to Project Youth, the PARP includes three other components:

- Training courses and technical assistance for self-employment and micro-businesses, aimed at 10,000 people who have lost their jobs throughout the country and have decided to go into business for themselves;
- Reorientation courses to help 100,000 workers

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reenter the job market after being laid off due to the rationalization of public companies or the reconversion of private firms;
- Reinforcement of employment offices run by the Labor Ministry around the country, so that both employers and workers will know where to turn.

The PARP is receiving technical assistance from the UN Development Program (UNDP).

UCR Chairman Alfonsin Opposes CNEA Privatization

PY0109235894 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1529 GMT 1 Sep 94

[Text] Buenos Aires, 1 Sep (NA)—Former President Raul Alfonsin emphasized today that the government's goal of privatizing the National Commission for Atomic Energy (CNEA) "is very serious," and voiced his support for mobilizing to express opposition to this official initiative.

Alfonsin stressed that the privatization "would be tantamount to terminating the CNEA, in addition to the danger involved in allowing private companies to manage nuclear power plants."

The UCR [Radical Civic Union] National Committee chairman noted that "it might be that the government cannot balance its accounts." Nevertheless, Alfonsin considered that the CNEA privatization would involve "wasting the possibility of developing a technology that our country has been implementing for many, many years."

The UCR leader made these remarks during a radio interview this morning.

Bolivia

Minister Outlines Population, ICPD Policies

PY0209010594 La Paz PRESENCIA in Spanish 20 Aug 94 p 1

[Text] Human Development Minister Enrique Ipina yesterday asserted that the government's stance at the UN International Conference on Population and Development, to be held in Cairo, will be based on respect for the national law that defends and promotes life as one of the basic principles.

Ipina referred to the preliminary aspects of the official document, which is still being drafted, among which is one rejecting the legalization of abortion.

The minister asserted: "We are against abortion, as it is a punishable crime in the Penal Code and we cannot violate our own laws."

Ipina said that the government stance maintains that the birthrate is not the core cause of the population problem. He explained that the population policy the government will propose goes beyond birthrate, as it aspires above all to sustainable human development.

The Bolivian minister added: "It is a matter of finding a space for the human being in the environment, of respecting natural resources, and, above all, of giving people a chance to cooperate in establishing a balance between the environment and the population rate. This is what the Bolivian population policy consists of."

Ipina noted that family planning and responsible parenthood are part of the Bolivian population policy because, as well as safeguarding the adequate relationship between natural resources and population, one must safeguard family capacity and fertility.

The minister explained: "Responsible parenthood, which consists of having the number of children the family, generously, feels it can maintain and educate, must be promoted through adequate and comprehensive sexual education."

Further discussing the issue, Ipina said that family planning entails respect for the family, making it is responsible for making the decisions rather than having them imposed by the state.

He explained that although the government upholds natural birth control methods because they conform to Bolivian customs, values, and socioeconomic reality, in its capacity as state it has the duty to inform couples and future parents about other existing birth control methods, within the framework of a comprehensive sexual education.

The minister said: "The government should provide heads of family with the most ample information. We favor a natural birth control system because it conforms to our values and ethical-religious principles, but this does not mean that we mustn't supply information and means for the so-called modern planning methods, because the state respects the opinion of all parents and mothers, including those who are not Catholic."

Diplomatic Agenda of President, Others Reported

PY0609112494 La Paz LA RAZON in Spanish 20 Aug 94 p A3

[Text] President Gonzalo Sanchez de Lozada, Vice President Victor Hugo Cardenas, and Foreign Minister Antonio Aranibar will have a heavy agenda during almost the entire month of September, with scheduled visits to Brazil, Puerto Suarez [Bolivia], Japan, and the United States.

The diplomatic activity begins on 7 September in Brasilia when the vice foreign ministers of Bolivia and Brazil will meet in the first preparatory meeting for the Eighth Rio Group Summit.

A meeting between Antonio Aranibar and Brazilian Foreign Minister Celso Amorim, also in preparation for

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the Rio Group Summit, will be held on 8 September. The summit itself will be held on 9 and 10 September with the participation of President Gonzalo Sanchez de Lozada.

On 11 September, in the so-called "diplomatic month," President Sanchez de Lozada will go to Puerto Suarez, Bolivia, where, along with Peruvian President Alberto Fujimori and Paraguayan President Juan Carlos Wasmosy, he will participate in a ceremony for the physical integration of the three countries through an export corridor that will link the Paraguay-Parana riverway with the Ilo port.

The government of Sanchez de Lozada wants this integration project to become a link between the Pacific and the Atlantic.

After the meeting in Puerto Suarez, Foreign Minister Antonio Aranibar will leave for Brasilia on 12 September to attend the Bolivian-Brazilian Mixed Commission meeting.

Aranibar's presence in Brasilia will serve to facilitate an exchange of ideas with his Brazilian counterpart Celso Amorim on issues related to the bilateral agenda.

Then Antonio Aranibar will leave for Japan with the purpose of further involving Bolivia in the international scene.

Aranibar said: "The official visit is the result of an invitation we received; the visit must be made."

Aranibar will also accompany Vice President Victor Hugo Cardenas to the UN General Assembly to be held in the United States late in September.

Therefore, the president, the vice president, and the foreign minister will have many activities in September.

Government Orders Withrawal of Army From Chapare

PY0209191694 La Paz Television Nacional Network in Spanish 1700 GMT 2 Sep 94

[Report by Mario Espinosa Osorio]

[Excerpt] [Passage omitted] We want to report that the government has decided to gradually withdraw the troops deployed to support UMOPAR [Mobile Police Unit for Rural Areas] and police actions in the Chapare region.

The following is a report by Social Communication Minister Ernesto Machicao:

[Begin recording] In view of the fact that calm has returned to the Chapare region and that calm is again part of the daily lives of the Chapare residents, the government has decided to gradually withdraw Army troops detached to the area to support police activities. The Army troops were detached on 28 August when an operation was launched to stop the peasant march on La Paz.

Today, as of 1100, that is, approximately 40 minutes ago, we have ordered Army troops to start withdrawing from the Chapare region. This is a gradual withdrawal. Therefore, it would be inappropriate to talk about numbers at this time because we are just starting to withraw these troops. We hope that a large part of this contingent, half of them, will be able to leave the area today. Later we will continue to gradually withdraw all Army members, depending on the development of events. [end recording]

This means that Special Antinarcotics Force [FELCN] and police troops will be the only ones to remain in the Chapare region. The Army troops from the Barrientos Regiment stationed in Colon will gradually withdraw from the area.

Guarani Community Signs Land, Labor Agreement

PY0209023594 La Paz PRESENCIA in Spanish 20 Aug 94 p 6

[Text] After centuries of living in backwardness, anguish, and neglect, the Guarani indigenous people will start to work with the government to recover their land and the liberties of their captive community, through a joint plan of action for which an agreement was signed yesterday.

The agreement, which provides a schedule of activities to be carried out by land, labor, and popular participation commissions, marks the first step toward solving century-old problems for which the Guarani people have been striving, and which were going to be ratified with a march for freedom, land, and peace over the past few weeks.

Guido Chumiray, upon signing the agreement on behalf of the Guarani Peoples Assembly (APG), asserted: "This agreement does not represent any government favor to our people; it is a right we justly deserve, and we are aware that with it we will gradually pull out of the backwardness in which we live."

Regarding the land issue, the government, through the National Land Reform Council Auditor [Interventora del Consejo Nacional de Reform Agraria] (ICNRA) and the National Colonization Institute [Instituto Nacional de Colonizacion] (INC), agrees to implement a Registration and Reorganization Pilot Plan [Plan Piloto de Catastro y Saneamiento] in the areas traditionally occupied by the Guarani community, which comprises 50,000 hectares.

Moreover, through the new institution that will be in charge of the land, and once the CNRA audit has ended, the Guarani community will immediately and free of charge be given the land that is returned to the state.

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In order to solve the serious captivity problem still suffered by some 10,000 Guarani people in various parts of the country, the Labor Commission—according to the agreement—should within a 15-day period draft a supreme decree subjecting the peasants of the Guarani region to the General Labor Law.

The most important achievement, which Human Development Minister Enrique Ipina labelled historic, is that the mentioned decree definitively abolishes the servitude system still enforced in Hernando Siles and Luis Calvo Provinces in Chuquisaca Department, in Cordillera in Santa Cruz, and in O'Connor and Gran Chaco in Tarija.

The supreme decree will modify Article 1 related to paid labor in the Guarani region. It will state that the salary or compensation—whichever it may be—to be earned by the Guarani people will "by no means be lower than the monthly minimum national salary, and will take into account overtime and other special working hours as well as holiday pay."

Moreover, the equality principle in labor and salaries will be ratified, eliminating discrimination against women.

Another of the important issues is the ratification of the ban against minors under 14 years of age working, and their right to an education.

With the third commission related to the peoples' participation, the government, through the Secretariat for Ethnic Affairs, has promised to draft an ethnic map in the Guarani zones and districts, together with APG technicians.

A map of the districts and regions, based on the official information of the Borders Commission, will be drafted through the Popular Participation Secretariat.

The agreement also establishes the duties of other institutions in aiding the Guarani community, such as the implementation of development programs financed by the Peasant Development Fund amounting to $13,354,596.

In the health and education fields, the respective secretariats will carry out studies with the APG to determine the areas requiring priority assistance.

The agreement was signed by Human Development Minister Enrique Ipina Melgar, Sustainable Development Minister Guillermo Justiniano, Ethnic Affairs Secretary Ramiro Molina, Education Secretary Juan Martinez, Health Secretary Joaquin Monasterio, ICNRA Isabel Lavandez, and Peasant Development Fund representative Franklin Cardenas. Leaders Guido Chumiray, Erwin Cuellar, and Marcelino Robles signed the agreement on behalf of the Guarani people.

Police, Coca Growers Clash in Cochabamba

PY0109182594 La Paz Television Nacional Network in Spanish 0100 GMT 1 Sep 94

[Excerpts] Serious clashes occurred today in Cochabamba. We have a report by Leni Rebollo from that city.

[Begin recording] [Rebollo] There was police repression during the march carried out by coca growers today. The march that started at 1430 from the bridge over the Chaqui Mayu River, which is located about 3 km from Cochabamba, was intercepted by a police force. Stones and tear gas were thrown during the clash and three people were wounded. The mediation of the Bolivian Labor Federation [COB] helped to calm the situation and allowed the marchers to reach the city's main park, where other demonstrators were gathering. [passage omitted] The peasants are gathering in the 14 de Septiembre park in (Acullico) until 3 September to resume the march toward La Paz. [passage omitted] [end recording]

What is the government position in the face of this situation?

[Begin recording] [Reporter Mario Espinoza, from Government House in La Paz] While the clashes between coca growers and the combined forces made up of the police and Umopar [Mobile Police Unit for Rural Areas], with the support of the Army, continues, the government has proposed a dialogue under one condition: that everyone fight drug trafficking.

[Social Communications Minister Ernesto Machicao] The government reiterates once again its invitation to the COB and, through this union, to the organizations in conflict to hold talks as soon as possible by putting aside attitudes that are not contributing to the conservation of the social peace the people want.

[Espinoza] Minister Machicao indicated that the government may create a special commission to supervise the agreements signed on 23 March.

[Machicao] What cannot be negotiated is not to fight drug trafficking. Obviously, this is an issue that even the Catholic Church addressed, saying that all Bolivians must recognize that a great deal of coca is produced in the Chapare region and that most of this production is used for drug trafficking. And this is a recognition which, I repeat, is admitted by the majority of Bolivians, including the Catholic Church.

[Espinoza] Government Minister German Quiroga said there is complete tranquillity in the Chapare region, in the so-called red zone. [passage omitted] [end recording]

Government To Try Peasant Leader Morales

PY0109223494 Madrid EFE in Spanish 0028 GMT 1 Sep 94

[Text] Cochabamba, Bolivia, 31 Aug (EFE)—Evo Morales, the top peasant leader of the coca growers who was arrested five days ago, has been formally accused by the Bolivian Government of sedition and put under the jurisdiction of the justice system.

Hugo San Martin, national secretary of the Regulations and Police Secretariat of the Government Ministry, said that Morales will be tried for "contempt of the law and for creating a paramilitary group."

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Morales, who was arrested with 20 other peasant leaders, was transferred today from the Police Special Intelligence Center (CEIP) under strong security measures to the jail of the Attorney General's Office.

San Martin said that according to Article 123 of the Bolivian Penal Code, "anyone who publicly crusades for the dismissal of a public official shall receive a punishment of one to three years in prison."

Evo Morales was accused and arrested by the government on charges of creating a "union police" that allegedly created panic and violence in the Chapare region.

The leaders of five federations of the Cochabamba tropical region told EFE that more than 250 peasants were arrested by military and police forces when they began a march from the Chapare on 29 August.

Mario Nunez, commander of the Cochabamba Police, reported today that 39 coca growers were released in Cochabamba today.

The peasants were arrested by the police on 29 August during several operations to break up the march of coca growers.

The government invited the Bolivian Labor Federation (COB) to negotiate "to do away with attitudes that are not contributing to keeping social peace."

The coca growers announced their decision to continue the march, named "Coca, Dignity, and Sovereignty," along the paths and roads of the Inca to get to La Paz, saying that they would maintain a vigil on the Cochabamba parade ground until the government releases all the union leaders.

Brazil

Paraguay-Parana Waterway Threatens Pantanal Swamplands

PY0209031094 Sao Paulo AGENCIA ESTADO in Portuguese 1332 GMT 27 Aug 94

[Article by Liana John]

[Excerpt] Campinas, 27 Aug (AE)—Brazil, Argentina, Bolivia, Paraguay, and Uruguay have just conducted a preliminary feasibility survey for the Paraguay-Parana waterway project, approved in 1990 by an intergovernmental commission of the five countries. The waterway would require correcting bends on the Paraguay River, which is mainly responsible for shaping the Mato Grosso Pantanal swamplands, deepening the river bed, closing tributaries, building dams to increase water velocity and volume, and reducing the navigable stretch by about 50 km.

According to the nongovernmental organizations World Wildlife Fund (WWF), Life Center Institute [Instituto Centro de Vida] (ICV), and Brazilian Center for Reference and Cultural Support [Centro Brasileiro de Referencia e Apoio Cultural] (Cebrac) these changes jeopardize the delicate ecosystems of the Pantanal, one of the planet's richest regions in biodiversity. WWF Executive Director Eduardo Martins stresses: "The Pantanal is a natural paradise, but it is also an example of an ecosystem in which an economic activity incompatible with environmental conservation is an invitation to disaster, and might prompt social chaos."

The waterway project would make navigable a 3,303 km stretch between Caceres in Mato Grosso State and Nueva Palmira in Uruguay. Farm products, especially soybeans, would mainly be transported. The $1.2 billion in financing would be supplied by the Inter-American Development Bank (IDB). Minister Marcelo Jardim, of the Foreign Ministry, the Brazilian representative to the Intergovernmental Waterway Commission [Comissao Intergovernamental da Hidrovia], guarantees: "The feasibility surveys include a complete environmental impact evaluation, as all the financing countries are greatly concerned about the environment." According to Jardim, United Nations Development Program (UNDP) experts will be the environmental consultants for the waterway project.

The Brazilian Government would spend $580 million directly on the waterway project, which, according to the WWF, does not include the project's socio-environmental costs. According to the WWF, the waterway would increase the Paraguay River's rate of flow by 35 percent. With an increased flow of water in the main river bed, the Pantanal's natural flood level would be reduced by an average depth of about 26 centimeters. The ecosystems, relying on this flood level, would be missing about 17 billion cubic meters of water per year. [passage omitted]

German Accord Promotes Enriched Uranium Exports

PY0209190294 Sao Paulo AGENCIA ESTADO in Portuguese 2317 GMT 1 Sep 94

[Article by Tania Malheiros]

[Text] Rio de Janeiro, 1 Sep (AE)—Roberto Nogueira da Franca, the state-owned Nuclear Industries of Brazil (INB) company president, said Brazil might become one of the world's largest uranium cake producers. This cake is used to process fuel (enriched uranium) for nuclear power plants. This will be possible through a unique agreement with Germany: The Brazilian Government will import from Germany the equipment to process the products that subsequently will be purchased by the German Government and other interested countries.

The INB president reported that a German experts delegation will discuss with the Brazilian Government late this month the sale of equipment worth about $20 million. The deal—among the largest ever concluded in

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the nuclear area—might also serve as encouragement for Congress to approve the completion of the Angra-2 nuclear power plant works, basically because the uranium powder and cake is specifically processed for nuclear power plants.

The equipment will be removed from an inactive factory in Hanau, Germany. The German Government gave up processing the uranium powder and cake, claiming that the manpower is extremely expensive. Brazil would process the product using 65 percent of the NUCLEBRAS Isotope Enrichment, Inc. (NUCLEI) facilities in the Rio de Janeiro district of Resende that were incorporated by INB five months ago. Franca also guaranteed that the purchase of the equipment does not require congressional approval.

INB is still discussing with the Navy's Special Projects Coordinating Board (Copesp) the signing of an agreement for NUCLEI to be used as an industrial unit for processing uranium. According to Franca, the agreement with the Navy is still in an embryonic phase, but the deal with Germany is well advanced. As soon as the deal with the Germans is closed, it will take between 22 and 23 months for Brazil to adjust the NUCLEI facilities for the new equipment.

Franca also reported that the contract will include a guarantee that Germany will purchase the uranium powder and cake processed in Brazil within a period ranging from three to four years. This involves about 30 percent of the initial production. Franca said that for Brazil this production represents a saving of 12 percent of the price paid abroad for the processing of fuel for the Angra-1 nuclear power plant, about $28 million nowadays. According to Franca, if Congress approves the completion of Angra-2, the Brazilian production of uranium powder and cake would also represent a saving of 12 percent of the fuel price for this nuclear power plant, estimated at $140 million. Franca also said that Brazil might export uranium powder and cake to other countries like Argentina.

NUCLEI was part of the Brazilian-German nuclear package agreement signed in 1975. NUCLEI was designed to enrich uranium using the centrifuge nozzle method, but never went into operation despite the fact that the Brazilian Government invested about $500 million in its installation. For the first time, through Franca's remarks, the public has been informed that Brazil gave up NUCLEI in 1981. Last year, Brazil and Germany rescinded the contract on NUCLEI. The facilities were surveyed and it was confirmed that the plant could process uranium powder and cake.

The government also wants to deplete the mines producing "yellow cake" [preceding two words in English] (processed uranium) in Pocos de Caldas (MG) [Minas Gerais State] by 1996 and is studying the possibility of opening a public bid for processing this "yellow cake," jointly with private companies, in the Lagoa Real mines.

Uranium Reserves, Enrichment Process Viewed

PY0209182794 Sao Paulo AGENCIA ESTADO in Portuguese 2316 GMT 1 Sep 94

[Text] Rio de Janeiro, 1 Sep (AE)—Brazil has the fifth largest natural uranium reserves in the world. Our country has technology to transform natural uranium into "yellow cake" (processed uranium) in the government facilities in Pocos de Caldas (MG) [Minas Gerais State]. In order to secure fuel for the Angra-1 nuclear power plant, for example, Brazil sends about 16 metric tons of "yellow cake" to Europe, where it is transformed into hexafluoride (gaseous uranium). This part of the process will still be carried out abroad until Brazil begins using a technology already developed by Copesp [Special Projects Coordinating Board] on an industrial scale. This represents 3 percent of the fuel's total cost.

Brazil also pays for the hexafluoride enrichment carried out abroad, which represents about 35 percent of the fuel's total cost. Thus far, Brazil has also been paying for transforming the enriched gas into oxide (powdered uranium) that is subsequently transformed into cakes and placed inside the rods in the power plant reactor's vessel.

Enriched uranium also serves as fuel for nuclear submarines and atomic bombs. Nevertheless, the processing of powdered uranium and uranium cakes, if done in Brazil, will be carried out under the safeguards of the International Atomic Energy Agency (IAEA), headquartered in Vienna, Austria. The IAEA has various experts from the United States, among other countries.

Cardoso, Lula Avoid Comment on Drugs, Abortion

94WD0573Z Sao Paulo VEJA in Portuguese 17 Aug 94 p 37

[Text] Last Monday night during a debate in the auditorium of the Hebrew Club in Sao Paulo, *tucano* candidate for president Fernando Henrique Cardoso was asked about his position with regard to drugs. More specifically, they wanted to know his views on marijuana. "That subject is extremely delicate; I don't talk about marijuana," Fernando Henrique said. On Wednesday morning, at a gathering of 300 Protestant ministers in Rio de Janeiro, the PT [Workers Party] candidate, Luis Inacio Lula da Silva, was asked whether he was in favor of abortion. "Personally, I oppose it," Lula said, making it clear that he would not recommend to a woman of his acquaintance that she resort to that solution to an unwanted pregnancy. This means that the two candidates who are leading in the polls have no political and public opinions on two political and public topics: drugs and abortion. Fernando Henrique refuses even to have a personal opinion on marijuana, while Lula did not explain to the pastors in Rio whether his personal position with regard to abortion implies a defense of laws that ban it except when the life of the mother is in danger.

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VEJA contacted both candidates after the debates to get a better explanation of what they were thinking. "That subject is extremely delicate," said Fernando Henrique, taking care not even to utter the word *marijuana*. "I am not going to speak either for or against it now, because it would reopen a controversy that would be exploited during the campaign," he added. The *tucano* has already been burned by exploitation of the topic. In 1984, in an interview with Playboy magazine, he said he had smoked marijuana once. "I thought it was awful," he said. He also stated that "he would have nothing against" a plan to decriminalize the drug. Then he said: "Saying that marijuana is very serious, as the Left and the Puritan Right do, is exaggerating."

Mud-Slinging

A year later, when he was running for mayor of Sao Paulo, Fernando Henrique was called a "marijuana user" by the shock troops of his leading opponent, Janio Quadros and, in a low and ridiculous blow, City Councilman Euripedes Sales insinuated during the free TV air time that if Fernando Henrique were elected, there was a danger that the drug would be blended into school lunches. During a TV debate in that same campaign, the *tucano* said he did not believe in God, and was called an atheist. Stunned, Fernando Henrique felt obliged to appear on TV during the election-related hour to say that he did not even smoke cigarettes—and lost the election to Janio. "That interview was foolish," says Fernando Henrique today. Since then he has started believing in God.

"It does not bother me to talk about abortion because personally I have always been against it," Lula told VEJA. Implicitly, the *petista*, like Fernando Henrique, is responding to campaign exploitation—in his case, to the low blow dealt him in the 1989 campaign when nurse Mirian Cordeiro, his former girlfriend, was paid by the Collor forces to say during the election programming on TV that Lula had tried to convince her to have an abortion. On the political front, Lula goes a bit further. "You cannot close your eyes to figures that indicate that every year perhaps two million women in Brazil have abortions," the candidate said. "This situation of having to go underground for abortions cannot continue. The state needs to talk about the abortion issue." As for a specific proposal on this discussion—whether and how to legalize abortion—Lula says he does not yet have one. "As people become better educated, family planning becomes the best contraceptive and is, in itself, an anti-abortion policy."

Hypocrisy

Strictly speaking, a candidate for president does not need to take a position as regards changes in the laws on drugs and abortion. Both topics fall under the jurisdiction of Congress, which can change the laws. That was how one legislator, Senator Nelson Carneiro, managed to legalize divorce despite the opposition of the Catholic Church. Now that they are leading in the polls, it is in neither Fernando Henrique's nor Lula's interest to venture into any area where they could lose votes if they take a position. This is what is called "political realism," to subordinate the means (saying what they really think) to the ends (getting elected president). It can also be called hypocrisy. Or a contribution to a failure to advance the discussion on abortion and drugs.

Experts estimate that in Brazil as a whole, three million young people of school age have smoked the drug at least once. In other countries, laws make a distinction between users and dealers, prosecuting and arresting those who are in possession of a large quantity of the drug and thus avoiding jailing someone who is holding a marijuana cigarette. "Not commenting on the subject of marijuana perpetuates the lack of information and, with it, a policy inadequate to handle the problem," said National Narcotics Secretary Luiz Matias Flach. "I am going to ask Fernando Henrique to take a firm stand against marijuana. A candidate for the presidency has to have a position on this subject," said Delegate Alberto Corazza, one of the leading specialists in rehabilitation of young addicts in Sao Paulo and a candidate for state deputy on the PSDB [Brazilian Social Democracy Party] slate.

In a draft of its program for governing, the PT advocated legalization of abortion. Bowing to the Catholic Church, Lula decided it was better to delete the item from his platform. As usual, the Church wants to extend to society as a whole a dogma that ought to hold only for its faithful. As for the PT, it is even possible that Lula would gain votes had he taken up the banner of legalization of abortion, a measure in effect in most of the developed countries. A recent survey by the Institute of Social and Economic Studies found that 74 percent of Brazilian women would permit abortion in extreme cases. The approval rate is also high among Catholics: 72 percent.

Cardoso Denies Hiring U.S. Consultants

PY0209025194 Rio de Janeiro JORNAL DO BRASIL in Portuguese 1 Sep 94 p 3

[Article by Ilimar Franco]

[Text] Brasilia—Eduardo Jorge Caldas, Fernando Henrique Cardoso's special adviser, has twice visited the United States since the beginning of the campaign. A campaign management member confirmed yesterday that on both occasions Caldas met electoral consultant James Carville. This campaign management member also announced that Carville visited Brazil three months ago to reach an agreement on his participation in Paulo Maluf's campaign. As the Sao Paulo mayor then withdrew his candidacy for the PPR [Progressive Renewal Party], the U.S. consultant talked to the PSDB [Brazilian Social Democracy Party] people in Sao Paulo about Cardoso's candidacy.

Despite denials about the existence of a contract with U.S. consultants, other advisers to the PSDB candidate

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reported that early in the campaign informal meetings had been held with U.S. consultants on an electoral campaign's structure and course. These sources also noted that the consultants had reportedly been contacted through the candidate's friends among Democratic Party scholars.

However, the main PSDB leaders were unable to agree about the reports published yesterday. In the course of one and a half hours the hiring of U.S. consultants was confirmed and denied. Upon arriving at the campaign committee's office at 1500 yesterday, PSDB President Pimenta da Veiga stressed: "Incidentally, I was unable to go to a meeting scheduled with the consultants." Cardoso, who arrived 40 minutes later, guaranteed: "There are no U.S. advisory services, and even if there were any, there would be nothing wrong with having them." After he was informed of Pimenta's remarks, Cardoso reacted angrily: "They must be his advisers."

Later, Pimenta himself was interviewed. Confirming the meeting between campaign management members and Carville, Pimenta said: "There are no contracts involving this kind of advisory service, let alone for $1 million. This kind of advisory service is quite normal. There is nothing wrong with having it."

After consulting with coordinators Sergio Motta, Geraldo Walter, and Eduardo Caldas, Pimenta denied the contract, and even any "official contact" with the U.S. consultants. He nevertheless admitted that "there might have been informal consultations," and that if this had happened it was of "a personal nature."

Cardoso on Election, Domestic, Foreign Policy

94SM0459A Brasilia CORREIO BRAZILIENSE in Portuguese 7 Aug 94 pp 4, 5

[Interview with presidential candidate Fernando Henrique Cardoso by Armando Rollemberg and Jose Negreiros, date and place not given. First six paragraphs are CORREIO BRAZILIENSE introduction]

[Text] Encouraged by the latest poll results, which show that his campaign is on the upswing while that of his principal opponent, Luis Inacio Lula da Silva, is slipping, Fernando Henrique Cardoso, candidate of the PSDB/PFL/PTB [Brazilian Social Democracy Party/Liberal Front Party/Brazilian Labor Party] coalition, decided to counter-attack. According to him, he is the one who has a plan to change Brazil, not the PT [Workers Party], which accuses him of offering "more of the same" because of his choice of Senator Marco Maciel as his running mate. Then he said: "I remember Getulio. As soon as he was elected he made peace with the UDN [National Democratic Union]. And people said at the time: 'But, my God, how can Getulio change with the UDN?' And he answered: 'Progressive president, conservative government.'"

Fernando Henrique says he agreed to run for president only after a thorough analysis of the election prospects. He came to the conclusion that Brazil has changed a lot politically since the last presidential election. "Brazil has taken a step toward the left. The two candidacies are headed by me and by Lula. That is the strongest evidence that Brazil has changed."

To FHC, his past is a guarantee that the "conservative" label his opponents are trying to pin on him will not stick.

After a lengthy analysis of the problems he will face between now and election day, the *tucano* candidate spoke about his plans for governing and commented on the election situation in several states.

"I have no commitment to any party, not even my own, as regards making appointments. People are voting for me so I can carry out a program," Fernando Henrique promised, rejecting the idea that he might become the prisoner of the conservative forces that support him.

He said he does not feel uncomfortable campaigning in the company of former Governor Antonio Carlos Magalhaes because he is the one who will be in command on the rostrum.

[CORREIO BRAZILIENSE] Does the choice of Senator Marco Maciel as your running mate mean, as the PT is saying, that you represent "more of the same" and that Governor Antonio Carlos Magalhaes will be calling the shots if you win?

[Cardoso] Look, as long as the PT does not understand Brazil, it will never win elections. The rest of Brazil has realized that things have already changed. There is no use rehashing things from the past. I have never delved into Lula's past. And I could have. If I wanted to, I would have ways to do so. But I don't want to. As for my own past, I am above reproach as regards democracy. I have been jailed, exiled, lost my professorship. I always fought. I am not going to keep repeating this, but Marco Maciel was the man who permitted the Democratic Alliance to come into being, to end the military regime. He was the vice president Tancredo wanted. Only technical conditions kept him from it. That PT "happiness" is the happiness of the poor.

[CORREIO BRAZILIENSE] Vicentinho says you were forced to "swallow" Maciel.

[Cardoso] The vice president will strengthen our position in the Northeast. When we change course, we have to show we have changed. And the public realizes this. Brazil has changed and the PT has lost its sense of direction. It has become the vanguard of backwardness. It did not notice that the world has changed. If their people had read Marx, as I have, they would have a better understanding of the changes in the world. They would have noticed that the way people have to produce has changed, that the economic system is different, that the forces are different, and that progress is something other than what they think it is.

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[CORREIO BRAZILIENSE] But how can a man like you, a reformist, reform the country when you have as allies politicians who, in general, have obstructed reforms?

[Cardoso] Well, how did we manage during the Itamar administration? Those same people who are now criticized for campaigning with me were in the government. Most of the Itamar government came from the PFL. And what did we do? We changed things. If you have a plan that suits the moment, a plan that expresses the forces of progress, you can change things. If you do not express that, you accomplish nothing. I remember Getulio. As soon as he was elected he made peace with the UDN [National Democratic Union]. And people said at the time: "But my God, how can Getulio change with the UDN?" And he answered: "Progressive president, conservative government."

[CORREIO BRAZILIENSE] So you admit that you will run a conservative administration?

[Cardoso] No. I am referring to the ABC's of politics: in order to change things, you have to have a majority. If you don't have a majority, you will not accomplish changes, because there will be an impasse in Congress. The biggest change is that I, a man from the PSDB, am the candidate. My party allied with the big party—in numerical terms—which is the PFL. And that is proof that the country has changed. The PFL did not nominate a candidate, because it realized that we, not they, could symbolize the expression of the change.

[CORREIO BRAZILIENSE] But don't you run the risk of getting a conservative contingent of legislators elected and becoming prisoner of that group?

[Cardoso] No, because those legislators will not be coming in on my coattails. The conservatives are already assured of election. They have deep roots, they express the feelings of part of Brazil. In reality, there are two [other] forces that could support some sort of platform. One, if there were a conservative candidate who had strong popular backing. But there is no one. But even if there were, he would not get elected, because Brazil is going through a period of change. The other force is the one represented by the PT, which has a candidate but is not in a position to change anything because it is anchored in a mistaken view of Brazil. Furthermore, the PT is tied to the new clientelism, the new politics of self-interest, to corporativism.

[CORREIO BRAZILIENSE] How so?

[Cardoso] What is the difference between clientelism and corporativism? Clientelism is when you use the State for private ends, outside the State. Corporativism is using the State for private purposes within the State. But they are almost the same thing. They are equivalent. They are forces that erode the ability of the State to do what has to be done. And the PT is incapable of carrying out a reform because it is anchored in that. The PFL, however, has perceived the new reality.

[CORREIO BRAZILIENSE] On the psychological plane, don't you feel comfortable with this alliance? After all, you are an intellectual of the Left. You were in Paris in 1968, you threw stones at the old regime. Isn't it hard to stand on the dais with Antonio Carlos?

[Cardoso] I am not at all uncomfortable, because the speeches are mine. Politics is different from the pulpit or the college professor's lecturn. At a university, you should not engage in politics. You should do analysis. You should convince people by your argument, not by emotion. In the pulpit, you use dogma. You keep reaffirming the existence of good and evil. In politics, you have to make what is bad into something good. A politician who imagines that "this is bad" and labels it so, and "this is good" and labels it so, is an Aristotelian. He does not see the dynamics, does not understand the dialectic. People who oppose today's political alliance take a scholastic view, they don't see the dynamics. They do not understand that my presence on this rostrum changes the rostrum. That's how politics works in actual practice.

[CORREIO BRAZILIENSE] You say you are changing the rostrum, why do you think you are in command of it?

[Cardoso] I command the rostrum not because I have an individualistic intent, but because I represent a force for change in Brazil. If my view did not coincide with that of other forces in this reality, that would not be true. Not even the PFL would have come forward to support me.

[CORREIO BRAZILIENSE] Aren't you afraid that, in the future, that collection of forces might, by putting pressure on the Treasury—governors from one side, military men from the other, union leaders, etc.—completely paralyze the government apparatus?

[Cardoso] That is why we need to form a majority around a program. We are reasoning in light of what happened. A minority opposed the constitutional revision, although everyone knew that a revision was needed. Those who opposed it know they will be unable to govern unless the Constitution is revised. And the Congress was paralyzed. That is a danger. It is to prevent that kind of situation that I want to build a broad majority. But everywhere I go I have said, even at the rallies, that I have no commitment to any party, not even my own, as regards making appointments. I have been saying this all day, to everyone. The support you are giving me is support for my program. You are voting for me so that I can carry out a program. Don't ask me, in return, to stuff the government payroll through patronage.

[CORREIO BRAZILIENSE] But it is reasonable to imagine that you are going to suffer very heavy pressure from allies like Antonio Carlos Magalhaes, who represents those who are used to practicing the politics of "give and you shall receive."

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[Cardoso] Antonio Carlos is an astute politician, so astute that he is not following that theory. Look what he did in Bahia. He chose as candidate a technician—Paulo Souto. That is because ACM understands what is going on in Brazil. If he were to adhere to the theory of "give and you shall receive," he would not be as popular as he is.

[CORREIO BRAZILIENSE] But aren't you afraid some change may yet occur in this race?

[Cardoso] At this point, the political alliances have already been forged. If some important change were to take place, the voters would simply migrate. I am a sociologist. I do not look at the campaign as a battle between persons. I analyze forces. And I really believe that Brazil has taken a step toward the left. The two candidacies are headed by me and by Lula. That is the strongest evidence that Brazil has changed. Will they try to call me a conservative? Why? That won't stick. That won't stick because I am not a conservative.

[CORREIO BRAZILIENSE] Are you sure that this alliance is favorable?

[Cardoso] When you forge an alliance, you cannot do so by halves. Someone had to represent the PFL. That is the only way in politics. I have intellectual strength. I am used to the clashes of the intellectual world. It was the initial decision that was difficult.

[CORREIO BRAZILIENSE] Judging by the criterion used in choosing Marco Maciel, it's the northeasterners who will decide the election. Is that really true? What impact has your candidacy been making in Rio de Janeiro, Rio Grande do Sul, and in Minas Gerais?

[Cardoso] The situation in Rio Grande do Sul is a special one, because in the last election, Brizola got over 50 percent of the votes. Now that is where Brizola is strongest, in Rio Grande do Sul. In Rio, I am stronger than he is. In the South, there is a split. Both the PSDB and the PFL are weak. The PMDB [Brazilian Democratic Movement Party] is strong, the PT is strong, and Brizola is strong. So in Rio Grande do Sul, we will have to wait for the runoff, but not in Rio. In Rio de Janeiro I can face up to Brizola on the basis of the politics of Rio de Janeiro, which is not partisan. There is rejection of Brizola, there is a very large group of Lula supporters, but then there are the rest of the people. And the rest will vote for me. I am ahead in the city of Rio de Janeiro, even though I do not have a large party base there.

[CORREIO BRAZILIENSE] But do you have poll results that show this?

[Cardoso] I do. I lose by a small margin in the interior of the state, but win in the city of Rio de Janeiro. In Rio, it is speeches that win over the voters.

[CORREIO BRAZILIENSE] And in Pernambuco?

[Cardoso] I will lose in Pernambuco. The Arraes myth prevails there, and then you have the fact that Lula is Pernambucan...but I can win in the rest of the Northeast. I will win in Ceara and in Alagoas, and should be able to come out even in Bahia. Now in Minas, I will win easily. In fact, I am going to win in Minas, Parana, and in Sao Paulo, besides Mato Grosso. In Santa Catarina, I cannot win the first round because of Amin.

[CORREIO BRAZILIENSE] Why are you so convinced you will win in those states?

[Cardoso] Because I think those states are good representatives of this changed Brazil. In those states, it is public opinion that rules.

[CORREIO BRAZILIENSE] And public opinion does not rule in the Northeast?

[Cardoso] No, not in the sense of an opinion that is disassociated from the power structure. In Minas, I have both sides. In Parana, both sides have also come over to me. There was no other way. Brizola's side, there, will ultimately come over too.

[CORREIO BRAZILIENSE] And in Para?

[Cardoso] I don't know about Para. We have Almir Gabriel as candidate there, whom I support. But things are more difficult there.

[CORREIO BRAZILIENSE] And in Maranhao? Will Sarney back you?

[Cardoso] He will. But even before that happens I am already ahead, I don't really know why. But the difference between me and Lula up there in Maranhao was 10 points, while it was 25 percent in the rest of the Northeast. Now in Piaui, both sides are with me. Note that the effects of the alliances we put together have not yet made themselves felt. For now, my progress is due to the *real* and our platform, not to the alliances.

[CORREIO BRAZILIENSE] So you feel you are favored to come out in first place in the first round, right?

[Cardoso] No, not yet. It would be rash to think this way. We have to wait and see what kind of effect the TV programs have.

[CORREIO BRAZILIENSE] Now for some specific questions. For example, how much will the minimum wage be under your administration?

[Cardoso] What is the problem with the minimum wage in Brazil today? It is the social security system. This is because, of the 14 million people who earn minimum wage, 11.5 million are receiving it under social security and the others from the city governments. If you want to raise it from 70 to 100 *reais* [per month], then you must have R$2,750,000,000.00 on hand in the social security account. Otherwise you will cause a deficit. In that case, you would be taking with one hand and giving with the other. And that causes inflation. So, it is hypocritical to propose an increase in the minimum wage while opposing social security reform. That is demagoguery,

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and I am against demagoguery. That does not mean I don't consider the present minimum wage to be shamefully low.

[CORREIO BRAZILIENSE] Will there be money for health?

[Cardoso] Health is another question. There are not enough funds, and money will always be scarce in a country like ours. Always. The United States solved its problem by making public health services generally available. Here in Brazil, the SUS [Unified Health System] was never properly implemented. We have at least two things we have to battle: bureaucracy, and clientelism. In addition, the federal government has to perfect, train, and monitor the local system. And the Ministry of Health is not equipped to do that. So it is a matter of reforming the State. If we want to improve life for the Brazilian people, we have to reform the State.

[CORREIO BRAZILIENSE] Is it really possible to reform the State?

[Cardoso] To reform the State we would have to break up the bureaucracies and ferocious corporativism that exists in this country. But we also have to change the structure so that resources can be used appropriately. Half of all the money available to run the government and finance its investment is reserved for health. That proves we have reached the limit. Either you boost revenues, i.e., raise taxes, or you simplify the bureaucracy, or do both at once. You also have to have rules. There is a lot of fraud in the agreements with the hospitals. You can see as you travel around the interior that a new bourgeoisie is developing, made up of the hospital owners, who keep complaining and asking for more money here in Brasilia.

[CORREIO BRAZILIENSE] Are you for or against the plan to divert the waters of the Sao Francisco river?

[Cardoso] Brazil has never properly taken care of its water problem. We have always thought of water only in terms of dams, in terms of electricity generation. The agency in charge of water is the DNAE [National Water and Electric Power Department], which has always been dam-oriented. And the interests of the dam operators and power companies, which are state enterprises in many cases, plus the construction contractors, have taken care of the water. And that should not be that way. That is why I now think the current debate is deceptive.

[CORREIO BRAZILIENSE] But do you approve or disapprove of the current plan?

[Cardoso] The current plan is a topical project, whereas what we need is a comprehensive project. But in the last analysis, the real fight is less extensive than that. Ask yourself whether the water in the Sao Francisco belongs to Bahia, Minas, or Sergipe? Or does it belong to Pernambuco, Paraiba, or some other place? See here, the water in the Sao Francisco belongs to all of Brazil. We have to study whether or not that water solves the problem, and whether diversion is really the best option. But, I repeat, there has to be a comprehensive program. Only then might the possibility of diversion fit in. But "serendipity" is not a good criterion. We need some kind of technical basis before we do that.

[CORREIO BRAZILIENSE] Won't stability exclude many Brazilians from the organized economy?

[Cardoso] If we do not have stability, exclusion will be guaranteed, because inflation is the main cause of exclusion. What is being contrasted with stability is not instability, is not inflation. Inflation is the biggest factor in concentration of income. And the biggest mistake the parties who oppose me make is that they are not capable of truly defending the common peoples' interest. They have practiced demagoguery and have not faced up to the inflation that maintains the concentration of income and makes the poor get poorer. I am the one who has gone to the root of the issues. Being radical means getting down to the root of issues. Well, I am a radical. They are left with the nonsense. They argue that it was just a monetary maneuver, a "distributive conflict,"...they did not understand the process. Now it is obvious that the battle against inflation is a necessary condition, but it is not enough. There has to be some action by the State that would correct the market's tendency to exclude. On that subject, we have to have public policies, investment policies that take into account the question of employment, regional distribution of income, and so on. But that cannot be solved in a day, it takes years.

[CORREIO BRAZILIENSE] If you were to list 10 important men in the Fernando Henrique administration, who would you mention?

[Cardoso] For now, just myself.

[CORREIO BRAZILIENSE] What would you change in foreign policy?

[Cardoso] The Mercosur [Common Market of the South] is now a reality. We have $10 billion in trade from side to side among the four countries. Mercosur has brought enormous benefits to Rio Grande do Sul. It has greatly increased our exports. But Brazil, as they like to say at Itamaraty, is a "global trader" [preceding two words in English]. We trade with everyone. That is a peculiar characteristic of ours. Our chain of international trade is not attached only to the United States or Europe. We share that chain, in almost the same proportion, with the United States and Europe, with the Middle East, and with Latin America. We have a nice flexibility, which gives us a certain amount of independence on the economic basis.

[CORREIO BRAZILIENSE] But what partners would you select?

[Cardoso] The development that is coming down the pike in the next century will be technology-related. So Brazil's interest should center on the major technology markets: the United States, Europe, Germany, and

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Japan. On the other hand, Brazil needs to seek out new, really dynamic, partnerships. The first one is China. As people used to say, "China is a neighbor." I have had a lot of contact with the Chinese. I have met with the foreign minister and the economics minister. I helped a lot with the signature of the technological agreement with China. I gave a lot of support to cooperation in the field of rockets. China is very important. We had to choose between China and India, which are not compatible. We chose China. Our preferred options in Asia are Japan and China.

[CORREIO BRAZILIENSE] On this trade issue, the United States is still the big market, isn't it?

[Cardoso] There are plenty of alternatives these days. Mercosur is not the only thing in Latin America. When I was foreign minister, I proposed an "Amazonian Initiative" to encourage bilateral agreements between Brazil and the other countries of Latin America. We are also important partners of other countries in the region that are not members of Mercosur. And we should pursue them even further. But we must not forget that the United States is the major market for Brazilian machinery and equipment. Without being jingoistic, we need to take seriously our position as one of the world's ten largest economies. We cannot keep repeating the 1960 refrain that we are an underdeveloped country. Brazil is a country of inequalities, an unjust country, but not all that underdeveloped.

[CORREIO BRAZILIENSE] What would you do about Africa?

[Cardoso] My view of Africa is this: I always wanted a partnership with South Africa, even before the recent developments. Incidentally, when I was foreign minister, I had made an appointment with Botha. Itamaraty was a little hesitant at first...Well anyway, I consider a good relationship with South Africa to be vital if we want to have any stable presence in that region. Especially because it will influence Angola. I can now tell you about one episode. I always thought Brazil's relationship with Angola was important. Once, when I went to the United States as foreign minister, Butrus Butrus-Ghali, with whom I am somewhat acquainted, telephoned me. He wanted to know if we would make our position on Haiti more flexible. I told him: "Look, we are going to look at the matter attentively, but while you are worried about Haitians migrating to the United States, I am worried about Angolans migrating to Brazil." Warren Christopher also talked to me about the matter. I told him we were going to study the issue, and I took advantage of the chance to intercede for Angola. "You have been there, you observed the elections, and you saw that the MPLA [Popular Movement for the Liberation of Angola] won the victory," I told Christopher. And I argued that the U.S. should recognize the new government right away. I came back to Brazil and was appointed finance minister. The next day, Warren Christopher telephoned me to congratulate me and report that the United States was finally going to recognize the Government of Angola. The Angolans know I helped them. I think we have to become less inhibited on the international plane.

[CORREIO BRAZILIENSE] Will agrarian reform be a priority under your administration?

[Cardoso] Agrarian reform in Brazil is a social question. Brazil is not short of food; it has an enormous ability to produce it and an agricultural sector that responds well to the challenge. So these are not the reasons why we need to have agrarian reform. We need to have agrarian reform because there are landless people. Past administrations have been able to settle 30,000 people a year, at most. When I was at the Ministry of Finance, I included enough money in the budget—300 million *reais*—to cover settlement of 50,000 families next year. That means that the current budget has the funds to settle an additional 50,000. The problem is not just technical and administrative, but a lack of the political competence needed to work things out.

[CORREIO BRAZILIENSE] And what about communications? The public is increasingly coming around to the idea that control of and access to the means of communication, especially TV stations, should be democratized. Do you agree?

[Cardoso] We have to obey the Constitution. Unfortunately, on this point too, the Congress is not doing its part. Congress holds all the cards. All the concessions have to be reviewed by Congress. Criteria need to be established for those awards. I have always been, and still am, in favor of that. As a member of the Constituent Assembly, I advocated a National Council on Communications, made up of representatives from the public. Communications should not be the sole province of the State, because it generates all that protectionism, those unilateral concessions.

[CORREIO BRAZILIENSE] And what do you think of Minister Ricupero's performance?

[Cardoso] Extraordinary. Minister Ricupero has played a balancing role, he has given the people confidence in the *real*. I had wanted to see Ricupero at the Ministry of Finance ever since the early days of the administration. I remember that Itamar telephoned me to authorize me to invite Ricupero to be finance minister. And the only reason he did not become minister then was that he did not want the job. That shows the high regard I have always had for Ricupero. What I did not realize is how good a communicator he is. And I believe that, in the case of Brazil, a good finance minister has to be someone who can keep the public informed about what is happening. And he is doing a remarkable job of that.

[CORREIO BRAZILIENSE] So you would keep him as finance minister?

[Cardoso] If he wants it, yes. But since I know him well, I know the Ministry of Finance is very stressful for him.

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But if he wants to stay on at the ministry, then as far as I am concerned, it's a done deal.

PSDB Presidential Candidate Cardoso Profiled

Lucky Man

94SM0458A Brasilia CORREIO BRAZILIENSE in Portuguese 7 Aug 94 p 10

[Article by Vera Loureiro]

[Text] Sao Paulo—Senator Fernando Henrique Cardoso is a lucky man. The course of his life has almost always been dictated by circumstance and chance, and they have not disappointed him. He is chosen more often than he chooses.

As a child, he wanted to grow up to be a cardinal or senator, but had he stayed in Rio de Janeiro, where he was born 63 years ago, he would certainly have had a career in the military, as was traditional in his family.

The man now running for president says he does not believe in fate, but accepts coincidence and circumstance. "Things happen," he said, summing up.

Considered "the prince of Brazilian sociologists," he never intended to study sociology. He preferred law, but failed Latin. He was finally converted to the profession by Prof. Florestan Fernandes, a former deputy who represented the PT [Workers Party].

And it was another former deputy—Ulysses Guimaraes, who died in October 1992—who later pushed him into politics. The year was 1977, and Cardoso got elected as alternate senator on the MDB [Brazilian Democratic Movement] slate. But the man elected to that seat, Franco Montoro, swapped it for the Sao Paulo governorship and Fernando Henrique assumed the vacancy in the Congress.

Bad Luck

When the military regime that had sent him into a voluntary exile shut down, Cardoso in 1985 became a sort of "cherub" of the New Republic, a candidate for whom the sky was the limit.

He then ran for mayor of Sao Paulo but lost badly to Janio Quadros when he had been certain he would be elected. He had even sat in the mayor's chair on election eve to pose for photos.

An incurable optimist, he recovered quickly and the next year was elected senator in his own right, garnering almost seven million votes.

He advocated that the PSDB join the Collor administration, which was relentlessly pursuing him with offers of positions. Whether by the hand of fate or not, the charges [against Collor] exploded before the negotiations were completed.

His turn came when Itamar Franco took office. He realized his dream of becoming foreign minister, took over at the Ministry of Foreign Affairs, and grew in the job.

'New JK Needed'

94SM0458B Brasilia CORREIO BRAZILIENSE in Portuguese 7 Aug 94 p 10

[Text] Sao Paulo—Fernando Henrique left the PMDB [Brazilian Democratic Movement Party] in 1988, the riskiest step in his career to date. Accompanied by 30 other legislators, he wanted to build a party that could one day win the presidency of Brazil. "A new Juscelino Kubitschek is needed. Not the JK of 1950, but of 1990," he said at the time.

After experiencing some ups and downs, the PSDB is close to achieving its goal and now Fernando Henrique himself is campaigning to become JK's political successor.

But his boat nearly capsized on the way. In 1991, he did not hide his willingness to participate in the Collor administration for the sake of "a national understanding." He very nearly agreed to be its foreign minister. The boy who had learned to read at age 3 and had devoured all the literary classics by the time he was an adolescent escaped shipwreck and survived politically long enough to run for president.

Persecution

The son of Dona Nayde, born in Manaus to the Alagoan family of General Leonidas Cardoso, Fernando Henrique had a brilliant academic career but was persecuted by the 1964 military coup and indicted under a Military Police Inquiry.

While in exile, he worked in Chile as director of the UN's Latin American Economic and Social Planning Institute and, in 1967, went to France to teach sociology at the University of Paris.

He returned to Brazil in 1968 and was forced into retirement from his professorship at the University of Sao Paulo (USP), having been stripped of his political rights by AI-5 [Institutional Act No. 5].

Persecution by the regime followed shortly thereafter. Fernando Henrique was hooded and interrogated, and a bomb was thrown at Cebrap [Brazilian Analysis and Planning Center].

He did not begin his practical lessons in politics until 1977, when he joined the MDB and started writing party platforms.

Elected as an alternate to Senator Franco Montoro in 1978, he assumed the seat in 1983 when Montoro was sworn in as Sao Paulo governor.

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Negotiator

In 1985, the senator was appointed the Tancredo Neves government's leader in the Congress, a post he maintained until he broke with Jose Sarney, the vice president who was sworn in after Neves's death.

That same year he ran for mayor of Sao Paulo but suffered a humiliating defeat at the hands of Janio Quadros. However, in 1986 he rose to the top again when he won a Senate seat with almost seven million votes.

In the Senate he established himself as a skillful and tolerant negotiator, and in the Constituent Assembly he served as one of the principal draftsmen of the 1988 Constitution, helping to undo the blunders made by Bernardo Cabral.

Having served as foreign affairs minister and later minister of finance in 1993, Fernando Henrique Cardoso is now running for President of the Republic.

Early Campaign Missteps

94SM0458C Brasilia CORREIO BRAZILIENSE in Portuguese 7 Aug 94 p 10

[Text] Sao Paulo—Culture and intelligence are adjectives not always applied in a positive tone to Fernando Henrique. They have allowed his opponents to portray him as an elitist intellectual.

He himself has contributed to this. As a candidate for the Senate in 1978, he won the support of the metalworkers in Sao Paulo's ABC zone—ironically, with the help of Luis Inacio Lula da Silva, now his leading opponent.

"He came here and didn't say anything," exclaimed the then-director of the Metalworkers Union, Djalma Bom, recalling today how odd the "peons" found that taciturn candidate standing at the factory door.

Populism

The campaign staff tried to paint a more popular image of the candidate, but the effort was unfortunate. Cardoso said he was a "little mulatto boy" and had "one foot in the kitchen," but this only started a fight with movements that represent blacks. Eating goat entrails and riding a donkey in the Northeast may not have helped him. He conveyed the image of a populist politician.

Another gaffe was his irate reaction to photographers who wanted to snap him having his hair cut at a Brasilia barbershop. He sent them away rudely, claiming they had gotten his white suit dirty. But both he and his team recognized the strategic error.

Now the only thing he has to be careful of is the political naivete of his wife, Ruth Cardoso. A refined intellectual like him, she dealt a nearly fatal blow to her husband's coalition by saying one day that "although the PFL [Liberal Front Party] has people like Antonio Carlos Magalhaes, it also has Gustavo Krause...."

General's Son, Criticized Regime

94SM0458D Brasilia CORREIO BRAZILIENSE in Portuguese 7 Aug 94 p 10

[Text] Fernando Henrique has strong ties to the military. He is the son, grandson, and nephew of generals. But unlike his running mate Marco Maciel (PFL-PE) [Liberal Front Party—Pernambuco], the *tucano* was on the opposite side of the regime that installed itself in this country in 1964.

His training with the left started in the cradle. His father, General Leonidas Cardoso, was elected deputy by the Brazilian Communist Party (PCB) in the 1940's.

Leonidas Cardoso was a colonel when he transferred to the reserve, although he was entitled to be promoted to brigadier general. But then he was elected a deputy on the PCB slate and was stripped of his political rights despite his status as Marshall Eurico Gaspar Dutra's favorite spokesman.

During the anticommunist wave that struck the Left during the 1940's—the same period when the McCarthyite campaign was beginning in the United States—Leonidas Cardoso himself became one of the victims of the repercussion, in Brazil, of the Cold War.

Three Stars

General Leonidas was not, however, the most illustrious military officer in the Cardoso family. Fernando Henrique's grandfather, General Mauricio Cardoso, is considered to have been the most brilliant officer.

He rose as high as the command of the 2nd Military Region and the rank of division general (three stars). He even attained more prominence than General Henrique Assuncao Cardoso, the radical rightist of the family, uncle of the candidate, who become known for the extremism that always characterized his anticommunist stance.

Fernando Henrique Cardoso also had three other military uncles, all colonels: Carlos, of the Infantry; Mauricio (same name as his grandfather), also of the Infantry; and Claudio, who served in the Cavalry.

Of the three, the one who became most popular in the military area was Colonel Mauricio, who is still mentioned in Sao Paulo for his good fellowship.

Influences

In the opinion of an army officer who knew the military men in the Cardoso family, Fernando Henrique shows, quite naturally, that he has been influenced by them to some extent. It is seen in his haircut, in some of his conservative positions despite his leftist background, and in the use of expressions that are common among military men.

After he became a candidate for the presidency, he used an expression that one might hear at headquarters in

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Brasilia. He said: "That's like seeing horns on a horse's head," or, in more everyday language: a tempest in a teacup.

During the military regime, although stripped of his political rights and after going to France in voluntary exile, Fernando Henrique Cardoso was still not viewed as a radical leftist. A general who knew the family—and plans to vote for the *tucano*—said he was never a communist but always "a temperate man."

A similar opinion is held by another general who also says he will vote for Cardoso, former Minister of the Army (under Sarney) Leonidas Pires Goncalves. "Communist, nonsense! Senator Fernando Henrique is not a communist," the general assured us.

Optimistic, Self-Confident

94SM0458E Brasilia CORREIO BRAZILIENSE in Portuguese 7 Aug 94 p 10

[Text] Sao Paulo—"Power should be exercised with pleasure, happily, without letting it get you down." This is one of Fernando Henrique Cardoso's favorite sayings.

An incurable optimist, he cites self-confidence as another of his characteristics: "I am not insecure, not even when someone else is brilliant and knows more than I do."

He statements are also consistent with what he thinks, and that has already caused him difficulties. He confessed in an interview with Playboy magazine that he smoked marijuana during the 1960's. On another occasion, he hesitated when asked whether he believes in God. He argued that the question was a personal one. Janio Quadros almost crucified him with that, in 1985.

Two Sides

Fernando Henrique has a reputation as a refined man, a connoisseur of wines and good food, and a regular visitor to Paris, especially for New Years Eve celebrations.

But he also has his simple side; for example, he is just another customer at the Barcelona bakery in the Higienopolis neighborhood where is lives in Sao Paulo. When he has time, he goes to the Barcelona, accompanied by his grandchildren, to eat his favorite sweets: cream-filled meringues.

He also likes his country house in Ibiuna (62 km from the Sao Paulo capital), which is not surrounded by walls and features a fireplace and a study littered with books. The senator has no time now to visit the "Republic of Ibiuna," as it is called because his neighbors include Deputy Jose Serra, former Finance Minister Bresser Pereira, and [Sao Paulo] Governor Fleury.

Wife Ruth

Fernando Henrique has been married to anthropologist Ruth Cardoso since 1952. They have three children: a son who is a sociologist, a daughter who is a biologist and another daughter who is an educator. They already have three grandchildren.

If her husband wins the election, Ruth Cardoso will probably be much more than a First Lady. She currently heads a platform committee at the party's Sao Paulo election headquarters.

Split the Left, Attract the Right

94SM0458F Brasilia CORREIO BRAZILIENSE in Portuguese 7 Aug 94 p 10

[Text] Sao Paulo—Considered to be a leftist intellectual—a point on which his critics disagree—Fernando Henrique Cardoso saw his candidacy born as the "anti-Lula" effort.

His backers believe that with his left-of-center profile, the *tucano* senator is the only one who can divide the Left, attract the Center, and earn the sympathy of the Right. Furthermore, his style pleases the elite.

With his image as a new politician, and with credibility, experience, and a clean record, Fernando Henrique faced his first obstacle when he agreed to the coalition with the PFL [Liberal Front Party].

The *tucanos* needed the votes controlled by Antonio Carlos Magalhaes in the Northeast, but to many *tucanos*, the alliance sounded somewhat spurious. Intellectuals and the progressive clergy were furious.

After the storm had passed and both the PFL and Guilherme Palmeira as vice presidential candidate had been assimilated, came the bonanza of the change in Brazil's currency.

That was when the campaign really got under way and the *real*, well-received by the Brazilian public, rapidly boosted the name of Fernando Henrique in the polls. Even luckier for him, the costly Bisol episode hurt the *petistas* and pushed Lula's ratings downward.

But then there was another slip. Serious charges against Palmeira made it obvious that he would have to be replaced quickly. The candidate for president thought then that he might get one of the running mates of his dreams: Gustavo Krause. But, in a swift maneuver, the PFL oligarchies imposed Senator Marco Maciel, notorious collaborator of the military regime.

Fernando Henrique did not want Marco Maciel. He accepted him for the sake of the alliance's platform. Once he had swallowed that insult, everyone turned their attention back to the campaign and the progress of the *real*.

At this point, observers do not think it likely that new turbulence will develop in the Fernando Henrique campaign. Apparently the only accusation the opponents will be able to level at Maciel is that he is a conservative. To

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statements that he collaborated with the military regime, Maciel has responded that he was one of the instruments of the political opening.

However, coordinators of the *tucano* campaign have not yet ruled out the possibility that the other side will resort to mud-slinging.

Vice Presidential Candidate Maciel Profiled

94SM0456A Brasilia CORREIO BRAZILIENSE in Portuguese 7 Aug 94 p 8

[Article by Ricardo Noblat]

[Text] Marco Antonio de Oliveira Maciel, 54, selected this week to replace Guilherme Palmeira as Fernando Henrique Cardoso's candidate for vice president, does not quarrel with anyone.

Opponents criticize him for that, but Maciel owes his nomination for vice president largely to his horror of confrontation. He was no one's favorite candidate. But no one vetoed him.

After lengthy negotiations that went on all day Tuesday, and after all the vetoes and rivalries among PFL bosses had been weighed and considered, it was his name that remained on the list to complete the PSDB/PFL/PTB [Brazilian Social Democracy Party/Liberal Front Party/Brazilian Labor Party] coalition slate.

Other candidates had fallen by the wayside. "I was machine-gunned ahead of time," an indignant Roberto Magalhaes—a deputy and, like Maciel, a former governor of Pernambuco—told a friend late that same Tuesday.

Magalhaes had monitored all the maneuvering from his law office on Avenida Visconde de Suassuna in downtown Recife. Even before the end came, he realized he would be unable to overcome the combined resistance of the PFL leaders to his name.

For example, Jorge Bornhausen, the party president, does not like him. Joao Alves, governor of Sergipe, still resents having been called to testify during the Budget CPI [Congressional Investigating Committee] of which Magalhaes was rapporteur.

Both Maciel himself and former Finance Minister Gustavo Krause, fellow Pernambucans and party members, praised Magalhaes but find him "a prickly politician of explosive temperament."

Too many rough edges defeated Roberto Magalhaes. Another candidate, Gustavo Krause himself, was felled by a compliment from former Bahia Governor Antonio Carlos Magalhaes [ACM].

It was late Tuesday afternoon. Maciel, Krause, Palmeira and ACM's son Deputy Luis Eduardo Magalhaes had met in Sao Paulo. They traveled to Brasilia on the same executive jet.

Magalhaes had already been ruled out and the Krause alternative faced opposition from Pernambuco Governor Joaquim Francisco. "Not Krause," Joaquim had protested. The governor wanted to keep the former finance minister available as candidate to succeed him, even though all the polls indicate that Krause will take a tremendous beating from Miguel Arraes, candidate to govern the state for the third time.

But the *coup de grace* was administered by Antonio Carlos Magalhaes who, consulted by phone, uttered the compliment that killed Gustavo Krause's chances. "It's a good name," ACM began. "But since you are looking at young politicians, I suggest my son, Deputy Luis Eduardo."

Choosing Krause, therefore, would mean vetoing Luis Eduardo and offending ACM. So Krause, who was preferred by Fernando Henrique and other prominent *tucanos*, became a former candidate for vice president.

That left Maciel—imagine that! This is the same man who refused to be Tancredo Neves's running mate and who harbors deep misgivings about the job.

He once confided to friends that he thinks "it is a very complicated position." Maciel fears the vice presidency can be a politician's tomb, as it was for Aureliano Chaves.

But Marco Antonio de Oliveira Maciel will not die that easily. He is a political survivor who has won all the elections he competed in and has never been forced to play the uncomfortable role of member of the opposition, except in his home state.

Negotiator Who Gives Up Less Than He Has To Offer

The most recent candidate for vice president of the Republic reminds people of the character "Antonio Conselheiro" described by Mario Vargas Llosa: so thin, with his 60 kg distributed over his 1.85 meter height, that he always appears to be in profile.

Agile and invariably in a hurry, he hates to waste time but it doesn't bother him to make other people waste theirs. Married for 32 years and father of three children, he is unanimously described by friends as an excellent paterfamilias despite dedicating himself full-time to politics.

Maciel has the face, manner, and talent typical of the subtle political strategists of the Renaissance era. He has won victories when it was thought to be impossible, such as his first election to the Senate in 1982 (he was reelected in 1990).

But his specialty is as a behind-the-scenes tactician—always on the winning side. He abandoned the ship of the military regime when it was already sinking in 1984, to join the PSD [Democratic Social Party] dissidents who supported Tancredo Neves. He was minister of education and head of the civilian household during the Sarney administration.

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He was former President Collor's leader in the Senate. He distanced himself discreetly when the tide of corruption began to drown that government. Early in his political career he had been a disciple of Senator Filinto Muller, former chief of police of the *Estado Novo.*

During the 1970's he earned the trust of the unsmiling former President Ernesto Geisel and at the end of the military regime was thought to be the most likely replacement, in the tricks of the police trade, for Senator and former Minister of Justice Petronio Portela.

Like Petronio Portela, Maciel has always had his eyes on the presidency. His negotiating style still bears some resemblance to that of his guru. For example, he never offers everything he is authorized to offer, or that he could offer, to an adversary during political negotiations.

"Portela was a master at that," former Deputy Thales Ramalho declared. "Since he never gave up more than half what he could have, he was never discredited."

Deputy Who Helped Ready the April Package

The other side of this profile is his reputation for being too prudent. "Marco Antonio is a good reserve for the backfield; at most he might be a pretty good playmaker, but he is far from becoming a forward someday," reflected Deputy Fernando Lyra (PSB-PE) [Brazilian Socialist Party-Pernambuco]. "He lacks the boldness that Petronio Portela had more than enough of."

Maciel does in fact surround his actions with excessive caution and is careful to take the fewest possible risks—but by no means does he fail to act in concrete situations.

In April 1977, as president of the Federal Chamber of Deputies, he witnessed the circumstances under which the government ordered Congress into recess and said not a word in public to condemn the coercion by President Geisel. In the following weeks however, he worked with Senator Portela to soften the measures in the "April package," a series of decisions, made while Congress was in recess that, among other things, converted the 1978 gubernatorial elections to indirect elections and gave rise to the figure of "bionic" [appointed by the military regime] senator.

Marco Antonio will forever be reproached for having had a role in the preparation of that package," admits Ana Maria, his wife. "Former President Geisel will not talk about that subject and Senator Portela, who could testify as to Marco Antonio's role, is dead. My husband prefers to keep silent."

Or to say that without the package, Geisel would have had more trouble launching the political opening process. The discretion that prevents Maciel from shedding light on one of the most controversial moments of his political career surrounds all his actions.

Even today, Fernando Henrique's new running mate changes the subject when his wife persists in asking whether she was or was not his first sweetheart. "His friends say I was the first and the only one. I suspect not, but Marco Antonio has never cleared up that doubt," Ana Maria laments. Maciel just smiles.

Mayor Father and Governor Godfather

The source of that style can be identified in the relationship between the adolescent Maciel and his father, Jose do Rego Maciel, former mayor of Recife, and with the man who was his godfather at baptism, former Governor Etelvino Lins—both old, battle-hardened bosses in the former PSD.

Maciel began to open the baggage of political teachings that he had carried around practically since birth in 1960 when, backed by both the Right and the Left, he was elected president of the Central Students Directorate (DCE) at the Federal University of Pernambuco.

"Recalling how he operated in the student movement I see little difference in the way he practices party politics today," remarked Jose Tinoco, Maciel's successor as president of the UEP [Pernambuco Students Union]. "He was always a terrible public speaker and never a charismatic leader, but he made up for those flaws by an extraordinary capacity to bring people together, to dedicate himself entirely to a task, and to know intuitively what path to take."

Former Governor Cid Sampaio, whom Maciel defeated in the senatorial elections of 1982, was blunt and harsh in assessing his opponent: "He has no backbone. He dances to whatever music is playing."

Circumspect, Maciel folds his hands, straightens out his fingers, and does not reply directly to the accusations. He prefers compromise to argument. At no time during his 34 years of politics has he directly rebutted an attack by an adversary.

Maciel assimilated in silence the harsh speeches made in opposition to his ascension to the presidency of the Federal Chamber of Deputies in 1977 by order of President Geisel. But when he left the post at the end of his term, he was unanimously applauded by both Arena [National Renewal Alliance] and the MDB [Brazilian Democratic Movement].

Once again, he withstood in silence the first attacks made against him last week as soon as his selection as Fernando Henrique's vice presidential candidate was announced.

The cold and calculating choice not to permit confrontations to develop permeated each day of the period 1979-82 when Maciel inhabited Campo das Princesas Palace, seat of the government of Pernambuco State.

But that does not mean he shrunk from exercising political power. He preferred to reach an agreement, as he did in 1981 when he faced a strike by 400,000 peasants in Pernambuco's Zona da Mata.

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The military hardliners wanted to use clubs on the strikers. Under pressure, Maciel practically forced the bosses and workers to accept an agreement, which pleased no one, but did end the strike. "The agreement was reached at the end of a meeting that had dragged out for 12 hours without interruption," recalls reporter Angelo Castelo Branco, then Maciel's press advisor. "The governor would not allow coffee to be served, only water. The resulting fatigue helped push people in the direction of the agreement."

Fights: Only Against Sleep and Punctuality

Maciel left the conference room at about 0700. He had breakfast, played briefly with his children, and picked up where he had left off with the business of the day. This was nothing unusual—he has a habit of sleeping very little.

Ana Maria, the senator's wife, knows very well the consequences of having an insomniac for a husband. "Since he does not come home until very late, the telephone never stops ringing between 2300 and 0200 in the morning. Then it starts again at 0700," she complains.

The obsession with squeezing everything he can out of the time available means the senator is always late for appointments, and usually makes decisions at the eleventh hour. "If you have a deadline, you are not in a hurry," Maciel says, to justify this.

Because he had a deadline, Maciel left Jose Mauricio, his youngest son, without a godfather until the very eve of his baptism. With so many friends and others interested in sponsoring his son, Maciel chose one of his own brothers. No one felt slighted, and the clash of interests was avoided.

Late in the Joao Figueiredo administration Fernando Henrique's running mate had dreamed of being elected successor to the last military president and worked toward that end. He ran up against the obstacle of his youth—the same thing that had kept him from a secretaryship in the Pernambuco government in 1964.

Maciel was actually sworn in then, but had to step down a month later: he was 23 years old and the minimum age stipulated by the state constitution was 25. It was also his age that prevented him from being governor in 1974. The decision was made personally by then-President Geisel.

"He is too young," protested President Geisel, who later began referring to Maciel as "my son" and encouraged him to dream of succeeding Figueiredo. The dream was short-lived.

Now, at age 54, he no longer has that problem. The lightness of his profile of a politician without sharp edges may not attract impassioned support but, on the other hand, it does not arouse irascible opposition.

With those credentials, and help from luck and the Real Plan, this time Maciel has a very good chance of ascending the ramp of Planalto Palace—at least as vice president.

Roundup of Electoral Reports

PY0309013694

[Editorial Report] The following is a compilation of reports on electoral activities in Brazil leading up to the 3 October general elections, as monitored through 2 September.

General Elections

Officials Can Express Opinions—Superior Electoral Court (TSE) Chairman Sepulveda Pertence said on 26 August in Rio de Janeiro that government officials have the right to express political opinions as long as they do not use their position in favor of any candidacy. "That is the democratic game," he said. Pertence believes that it is normal that President Itamar Franco should express his will to comply with his timetable of dedicating public works in the next few days. "As long as the events do not become part of an electoral campaign, it is his right and duty to dedicate works," Pertence said. (Sao Paulo AGENCIA ESTADO in Portuguese 2106 GMT 26 Aug 94)

Presidential Campaign

PSDB Economic Plans—The fast rise in Fernando Henrique Cardoso's popularity in the voters' preference polls is currently an object of concern for the alliance between the Brazilian Social Democracy Party (PSDB), the Liberal Front Party (PFL), and the Brazilian Labor Party (PTB). The Real Plan, which sustains Cardoso's campaign, is still vulnerable, and until 3 October the government economic team must masterfully administer the economy to restrain an increase in demand resulting from greater public purchasing power. It must also restrain the dollar devaluation trend, reduce banking interest rates, and prevent increases in the family basket price. PSDB economists fear the sudden drop in inflation may lead savers to either apply their money to the financial system or increase consumption. The PSDB economists, headed by Paulo Renato Souza, who hope that the economy will stabilize in the next 12 months, have designed their future government economic program. Their objective is to have a package of fiscal measures approved by Congress during the first half of 1995, to facilitate the amendment of the Constitution so as to implement an economic structural reform. This reform will include a tax reform to simplify the tax system and increase the net tax burden, which currently stands at 25 percent of GDP, by at least 23 percent. The PSDB plans to create a development fund made up of part of the exchange reserves, which will be limited to $30 billion, and all of whose excess will go to the development fund. The PSDB administration also plans to conclude the construction of 16 hydroelectric dams at

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a cost of $7 billion. Another PSDB priority is to construct all the North-South Railroad line stretches that are integrated with waterways, and build an access to the Pacific Ocean. To finance infrastructure work, the PSDB plans to reach an agreement with the IMF and obtain loans from the World Bank, the Inter- American Development Bank, and the Eximbank. If the economy is consolidated, all budget investment resources will be spent in the social field, especially in health and education. The National Bank for Economic and Social Development must serve as guarantor for risk operations, and must be the main financial lever for long-term loans, so as to allow private banks to grant 5 or 6 year loans. (Sao Paulo GAZETA MERCANTIL 15 August 94 pp 1, 7)

State Campaigns

Cardoso Surpasses Lula in Bahia—According to a poll carried out by the Brasmarket Institute in Bahia, Fernando Henrique Cardoso, candidate for the PSDB-PFL-PTB alliance, has slightly surpassed his main contender Luiz Inacio Lula da Silva, from the Workers Party, with 39.6 percent of voters' preferences against 39.4 percent for Lula. As for the candidates for Bahia governor, Paulo Souto from the PFL leads with 34.3 percent, while Jutahy Junior, from the PSDB, but who broke away from Cardoso and supports Lula, has 21.1 percent, followed by Joao Durval from the National Mobilization Party- Democratic Labor Party with 21.0 percent. The race for the two Senate seats for Bahia State seems to be defined, given that former Governor Antonio Carlos Magalhaes, from the PFL, leads the polls with 61.5 percent followed by Waldir Pires, from the PSDB, with 40.6 percent. The poll was carried out between 16 and 22 August in 49 Bahia municipalities among 1,052 voters. Brasmarket President Ronald Kuntz estimates the margin of error to be 3.2 percent. (Sao Paulo AGENCIA ESTADO in Portuguese 1832 GMT 29 August 94)

Measures To Deregulate Exchange Market Issued

PY0209165394 Sao Paulo AGENCIA ESTADO in Portuguese 2241 GMT 31 Aug 94

[Text] Brasilia, 31 Aug (AE)—The measures the government has issued to deregulate the exchange market, which will go into effect on 1 September, are as follows:

1. Future Liquidation—From now on contracts for future liquidation of any exchange operation can be signed. Until now, the future liquidation of operations was allowed only in foreign trade operations.

2. Import Permit—Import permits are no longer required for signature of contracts, as had been mandatory since 1968. Through the Central Bank and the Federal Revenue Office, the government has identified many fake permits.

3. Anticipated Payment—Beginning 1 September, the government allows the signature of exchange operation contracts for the anticipated payment of foreign debts, i.e., loans obtained abroad. The government believes that the measure will have an impact on the exchange market because the private sector has a foreign debt totaling $22.5 billion and can reduce costs by contracting the exchange now that the exchange rate is low.

4. Financing for Importers—The import operations with a term exceeding 360 days will be entirely financed from now on. In accordance with the previous rules, the Central Bank demanded that the importer pay 20 percent of the value of the imported asset in cash. With the new measures, the importer can pay in cash the amount he desires, thus reducing the maximum ceiling of 20 percent.

5. Ceiling—The ceiling for remittance of money earmarked for Brazilian investment abroad, without the Central Bank's prior approval, increased from $1 million to $5 million.

6. Properties Abroad—Permission for individuals to purchase properties abroad is now extended to corporations which, until now, could only purchase properties through their subsidiaries abroad.

7. Funds—The government is discussing and canalizing, from the legal viewpoint, the creation of funds that may allow people residing in the country to purchase Brazilian foreign debt certificates being negotiated in the international market.

President Signs New Minimum Wage Measure

PY0109144294 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 1 Sep 94

[Text] As of today the minimum salary is 70 reals. President Itamar Franco already signed a provisional measure increasing the minimum salary as of 1 September. The same provisional measure establishes a shorter term to pay contributions to the National Social Security Institute and orders the preparation of a draft bill to reformulate the national minimum salary policy.

Chile

Ethics Commission Presents Results of Study

94SM0445B Santiago LA NACION in Spanish 28 Jul 94 pp 2-3

[Article by Francisco Artaza: "Offensive Against the Virus of Corruption Has 41 Antidotes; Commission on Ethics and Public Integrity Presented Its Proposals to the President at a Solemn Ceremony in La Moneda Palace"—first paragraph is editorial introduction]

[Text] The members of the Ethics Commission include Gabriel Valdes, president of the Senate; Jorge Schaulsohn, president of the Chamber of Deputies; Genaro Arriagada, minister and secretary general of the Office of the President; Marcos Aburto, president of the Supreme Court; Osvaldo Iturriaga, government controller; Luis

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Bates, president of the State Defense Council; and Guillermo Arthur, Oscar Godoy, Andrea Munoz, Maximo Pacheco, Augusto Parra, Ricardo Rivadeneira, Eugenio Velasco, Hernan Vodanovic, and Alejandro Ferreito, members of the commission.

Strengthening civil society so that it will play a more critical role in evaluating the conduct of government officials is one of the most effective tools in preventing the "gangrene" of corruption from spreading.

This was one of the conclusions which the National Public Ethics Commission reached after studying the subject for 100 days. The commission was established by President Eduardo Frei. After reviewing the world situation the 14 members of the commission (representing a broad range of social classes) confirmed that openness in the civil service and an increase in control by the citizens of state officials and institutions are essential to establish and preserve a system of public ethics.

For that reason the commission's conclusions, expressed in a report containing 41 proposals, state that the country assumes that corruption is a latent danger and that there is a need to create control mechanisms to deal with it.

The report states: "No society is exempt from corruption and even from spreading to affect the whole structure of the state. Awareness of this is a first step toward placing in context a broad ranging policy of precautionary action and controls which civil society, by itself and through the state, should adopt to reduce to the minimum the risks of corruption in the public service."

The first step was to define this scourge. The report stated: "There is corruption when a public employee in the performance of the duties which the laws in force assign to him obtains private benefit from the performance of those duties." This private benefit may be monetary in nature or be of another kind.

All persons who exercise some kind of authority may become involved in corruption, from the president of the republic to the most junior official or laborer who works in the service of the public, including those who perform their duties in state owned companies. The report continues: "Integrity is not a form of conduct which may be demanded from public officials in any restricted sense, just because they are members of the public administration. Rather, it extends to the entire hierarchy which governs, legislates, provides the people with access to justice, administers, and constitutes the public sector of the country."

Despite the serious examples of Italy and Spain, when the commission presented a diagnosis of the situation in Chile, it concluded that corruption is not a widespread phenomenon and that, on the contrary, integrity is widely found in the public sector.

Nevertheless, the commission stated, it is impossible to speak of simple, isolated cases, since, if they were widespread, they could change into "real circuits or subsystems of corruption" which would end up degrading the entire structure of public administration.

On this point "certain practices" were mentioned which are tolerated in political life and among the people more generally. Many of these practices, such as giving another person "pituto" [grease] in exchange for a service, are already accepted as part of the special institutions of Chile.

The report stated: "Influence over a public employee to obtain benefits, favoritism or nepotism, the illegal transmission of privileged information in circles close to those in power, the direct and unregulated conversion of a public function into a form of private activity related to public functions, arbitrary behavior by public officials in providing information on what they have done or advocating courses of action which come under their area of responsibility, and the cultivation of electoral supporters"—all of these are examples of these practices.

The commission divided the study into seven areas: integrity among officials, conflicts of interest, control and prosecution, contracts and bidding, criminal aspects, financing of political activity, and social control.

The first of these areas is mentioned to provide constitutional authority to the principles related to the integrity and openness of public functions. After all, a policy of this nature would make no sense if civil society itself does not assume the principal role in the promotion, diffusion, and adoption of the principles and values of public ethics.

Integrity Among Officials

There should be a national policy of respect for public ethics. The principle of the "integrity of officials and openness in the constitution" should be included in the national charter so that it could be demanded of all persons performing the duties of a public servant. There should be a policy of incentives in the public service, aimed at attaching greater status to the role of public officials, increasing salaries and allowances, and raising the standards of performance. There should be a code of public integrity which would set out the obligations, prohibitions, areas where they have no power, and areas incompatible with their duties for all public officials. Internal affairs offices should be established in all public institutions, charged with providing information to persons who ask for it and channels for complaints. There should be a procedural review to determine how far administrative responsibility goes, to make it function more quickly, and to broaden punishments. Influence trafficking and the improper use of privileged information should be subject to administrative punishment. The system of prohibiting one person from holding functions which are incompatible with each other should be clarified to prevent the simultaneous exercise of a

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public function and acting as a director of state institutions and between performing public and private functions. Legal and structural reforms should be drafted to provide greater openness in the judicial system and to eliminate areas in the judicial branch of the government where discretion can be exercised.

Political Parties

The commission recognized the advantages offered by public financing of election campaigns. Therefore, it recommended the gradual introduction of this system in our institutional structure, providing time to make it compatible with the social expenditures of Chile.

As a first step the commission proposed establishing public financing of political parties in certain election campaigns and in accordance with the votes each party receives. For this purpose private contributions should be declared in a public register maintained for that purpose by the Directorate of the Electoral Service. Any false statement or omission in the statement of private gifts or donations would be a crime both for the donor as well as for the beneficiary.

Before assuming office elected candidates will be required to make a declaration of all contributions received during their campaign, beyond a certain amount determined by law. Any omission or deliberately false statement in this declaration would create grounds for declaring such a person unfit to hold such a position or for declaring the position vacant.

Each political party will be required to maintain a single bank checking account to which the principle of banking secrecy would not apply. Any political party expenditure not made through the official bank account would be punishable by law. The law will define what is meant by political party expenditure.

There would be a limit on election expenditures. Ways would be found to reduce the cost of election campaigns and to reduce the influence of money in them.

Conflict of Interests

Ethical self-regulation in the various branches of the state should be strengthened through the establishment of guidelines to prevent and punish violations in a flexible and effective way.

Sworn statements should be made concerning property and interests. It should be obligatory for all public officials at the senior level to make a sworn statement of their property and interests, both when they occupy a given position and when they leave it. These sworn statements should be public documents.

A system of specific limitations should be established to prevent a public official from deciding or having an influence on matters related to property in which he has a private interest.

Transfers of officials from the public to the private sector should be regulated to avoid conflicts of interest.

Contributions and other benefits made by private parties to those who hold public positions should be regulated.

Members of Congress and mayors and council members of cities and towns who advocate, debate, or vote on matters in which they hold incompatible interests or who use their positions to make representations to the public authorities for the benefit of their own property or that of related, third parties, and who use privileged information for the benefit of their own property interests or those of related, third parties should be considered for dismissal from such positions.

These provisions should apply to high government officials, including the president.

Provision should be made for a total break between a person holding public office and the management of his business interests as an alternative and voluntary way of preventing conflicts of interests on the part of public employees.

Social Control

As it is clear that the success of a policy of promoting public ethics depends "fundamentally" on active, social participation in the control of the public service, proposals have been made to ensure openness and flexibility in making information available, to strengthen civic awareness, to develop social organizations to take care of the interests of the citizens, and to "give life to various ways of participation." The following actions were suggested by the commission.

A law should be enacted to guarantee access by journalists to information related to the conduct of public affairs. Every public service organization should be required to publish a review, to include the systematic discussion of all activities undertaken during a given period of time.

Courses on ethical and civic education should be undertaken in an obligatory and continuing way in schools.

There should be ethic self-regulation of intermediary groups. All of those organizations which carry on a public function or which are involved in pursuing objectives of general interest should develop systems for exercising ethical self-control.

Investigations

Although the commission considers that openness is the best instrument of control, it also made proposals concerning investigations.

Investigative facilities of the Chamber of Deputies should be strengthened, broadening the scope of investigative commissions and reducing the quorum required for them to meet.

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Investigative procedures and standards in the field of public activity should be reviewed and made more suitable.

A system of selective hearings should be created, presided over by officials of a high state office or handled by private companies.

There should be adequate control of the management of public affairs as well as the use made of the resources provided and the objectives sought.

There should be openness regarding classified public expenditure, which should be regulated by law.

Contracts and invitations to bid by the state should be standardized and systematized by a basic law.

A regulation should be issued on municipal acquisitions of property.

Obsolete Laws

Because of its age penal legislation was called "obsolete" and unable to punish corruption.

Legislation should be brought up to date. The Penal Code should cover crimes involving the traffic in influence, the improper use of privileged information, and unlawful enrichment.

Arrangements for handling complaints about acts of corruption should be strengthened, permitting the exemption or reduction of criminal responsibility of those who provide useful information.

The law should be amended to bring it up to date and to extend the scope of application of certain figures to new forms of corruption.

Criminal procedural law should be reformed to make it more open and effective. The commission recommended expanded use of oral testimony at trials and the establishment of a public prosecutor's office for criminal matters which would act on behalf of the nation.

A special prosecutor's office should be established to investigate and follow up cases of corruption. In its absence more powers could be provided to the Council for the Defense of the State.

Colombia

Bogota Prepared To Mediate Between U.S., Cuba

PA0609192694 Madrid EFE in Spanish 1822 GMT 6 Sep 94

[Text] Santa Fe de Bogota, 6 Sep (EFE)—Colombian Foreign Minister Rodrigo Pardo today said Colombia is prepared to mediate, along with other countries, in an effort to expand the agenda of talks between the United States and Cuba to include other issues.

At a meeting with foreign correspondents accredited in Santa Fe de Bogota, Pardo said: "If the good offices of Colombia and other countries are necessary to move the talks toward the inclusion of other issues, we would be prepared to offer them."

Nevertheless, Pardo noted that the United States has asked the Colombian Government of President Ernesto Samper only to study the possibility of installing camps to house Cuban refugees. Colombia, the foreign minister added, turned down the request because it could have created "logistical and economic problems."

The Colombian foreign minister said he is pleased the U.S. and Cuban Governments are holding talks centered on the issues of Cuban rafters. The crisis, Pardo said, "is limited to the migration issue [se circunscribe al tema migratorio], and it is logical that mechanisms to resolve this problem be found in a bilateral manner."

The Colombian foreign minister said that Cuba and Haiti will be discussed at the upcoming Rio Group meeting on 9-10 September in Rio de Janeiro.

Government Decree on Money Laundering

PA0409000494 Santa Fe de Bogota EL ESPECTADOR in Spanish 25 Aug p 5-B

[Decree 2012 issued by the Presidency of the Republic of Colombia on 24 August 1994 amending the Statute on International Investments]

[Text] Article 1. Article 4 of Resolution 51 of 1991 shall read thus.

Article 4. Definition of foreign capital investment. Foreign capital investment is defined as direct investment, indirect investment, and portfolio investment.

A. In accordance with Ruling 291 of the Cartagena Agreement and any rulings modifying, substituting, or complementing it, foreign direct investments are described as money from abroad, belonging to foreign individuals or corporations, that has been invested in the capital of a corporation.

Direct investment also includes the acquisition of participations, shares, or social quotas on a permanent basis.

B. Indirect investments include money invested by foreign investors through acts or contracts for cooperation, dealerships, services, administration, license, or others that imply transfer of technology, provided there is no shareholder participation in the social capital of an enterprise and provided the profits yielded by the investment for the investor depend on the enterprise's profits.

C. Portfolio investments are described as investments in shares and bonds that must be convertible into shares and other securities negotiable at the Stock Market in accordance with Chapter III, Title III of this statute.

Paragraph: Notwithstanding the provision of this article, as far as this statute is concerned, any credits and

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operations that entail indebtedness do not constitute foreign investment. The Bank of the Republic will not register these operations.

Concerning Article 2 of Decree-Law 1746 of 1991 and any rulings that substitute or modify it, operations surrounding foreign indebtedness carried out by local residents with foreign currency that has been declared foreign investment constitutes an exchange misdemeanor.

Article 2. Article 7 of Resolution 51 of 1991 shall read thus.

Article 7. Types. Foreign capital investment in existing or established enterprises, or enterprises that will be established in the country, can be of the following types.

A. Imported machinery, equipment, or any other physical goods invested as capital of an enterprise as nonreimbursable imports.

B. Import of foreign currency, freely convertible into local currency, to be invested directly in an enterprise as capital or to buy rights, shares, or titles mentioned in Resolution 70 of 1985, Resolution 14 of 1989, Resolution 70 of 1989, and Resolution 34 of 1990 of the Monetary Board.

C. Participation in kind in an enterprise's capital, consisting of intangibles such as technological contributions, trademarks, and patents, under the conditions stipulated by the Commerce Code.

D. Amounts in local currency that can legally be transferred out of the country, such as principal and interest of external loans, amounts owed for reimbursable exports, profits that can be drafted on, and royalties derived from contracts properly approved and registered and that are earmarked for direct, indirect, or portfolio investments.

E. Retaining, in net worth, undistributed profits that can be drafted on.

F. Import of foreign currency, freely convertible into local currency to make investments, to make portfolio investments according to Chapter III of Title III of this statute.

G. Investments in addition to the capital assigned to subsidiaries in hydrocarbon and coal projects according to Resolution 17 of 1972 of the National Council for Economic and Social Policy, Conpes, and investments in a coal mining project according to Conpes Resolutions 23 and 24 of 1976 and Resolution 45 of 1989.

H. Import of foreign currency, freely convertible into local currency for investment, destined to buy real estate for officials or offices of foreign corporations.

Article 3. Article 8 of Resolution 51 shall read thus.

Article 8. Destination. According to what this statute's Article 3 establishes, foreign investments may be made in any proportion in all sectors of the economy.

Notwithstanding this, all types of foreign capital investments are prohibited in:

A. Activities dealing with national defense or security.

B. Processing, disposal, and dumping of toxic, dangerous, or radioactive waste not produced in the country.

C. Real estate or building enterprises.

D. Documents issued in support of real estate or property deeds.

Paragraph: In any event, Conpes shall identify sectors of the economy to enable the government to decide whether it accepts foreign capital investments in these sectors.

Article 4. Subparagraph 4 of Subsection A of Article 15 of Resolution 51 of 1991 shall read thus.

The Bank of the Republic's Board of Directors shall establish the procedures for carrying out the registration that this article covers. The Bank of the Republic shall establish the mechanisms to fully identify foreign capital investors.

Article 5. Paragraph 1 of Article 59 of Resolution 51 of 1991 shall read thus.

Paragraph 1. In accordance with Article 40 of this statute, Institutional Funds shall be deemed to be the net worth comprising shares or bonds convertible to shares of Colombian corporations, received by a financial entity in Colombia, by virtue of a trusteeship, fiduciary order, or a similar contract, by which a financial entity overseas issues deeds to back these shares or bonds to be acquired by capital investors abroad.

These funds will be subject to rules covered under Chapter III of this statute whenever applicable. The Superintendency of Securities will issue the appropriate instructions. The obligations contained in this chapter will be the responsibility of the entity that administers the fund.

The entity that administers the fund has to supply whatever information the Bank of the Republic or the Superintendency of Securities requests.

Article 6. This decree becomes effective from the date of publication and overturns all rules that contravene it.

Be it published and executed.

Issued in Santa Fe de Bogota on 24 August 1994

[Signed] Finance Minister Guillermo Perry Rubio and National Planning Department Director Jose Antonio Ocampo Gaviria

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Officials Discuss Ways To Fight Money Laundering

PA0609180794 Santa Fe de Bogota EL TIEMPO in Spanish 2 Sep 94 pp 1B, 6B

[Text] Although the country has the mechanisms to counter money laundering and can punish certain offenders, Colombian authorities still have not been able to show satisfactory results in controlling this illegal activity.

Several analysts have estimated that the amount of money that comes into Colombia from laundering activities—in other words, the hiding or disguising of the true source or ownership of illegally obtained money—is somewhere between $1 billion and $3 billion annually.

Rafael Acosta Chacon, legal vice president of the Banking Association of Colombia, maintains that, although Colombian criminal law does not list money laundering per se as a crime, it does include penalties for illegal enrichment, association with criminal intent, and complicity (when it refers to front men, for example) in order to stop this activity.

In this sense, Colombia follows the guidelines established by the Vienna Convention, the Basel Commission, the EC Commission, and the Group of Seven's financial working group to counter money laundering activities.

Although the 1991 Constitution guarantees the inviolability of banking information in Article 15, this is not absolute, because the charter establishes several exceptions—for example, when it refers to legal investigations and in tax cases, or, in other words, when government provisions override banking secrecy rules.

Acosta Chacon recalled that mechanisms in effect since 1992 allow financial organizations to detect and report to authorities any unusual movement of money by their clients. Likewise, financial organizations are authorized to investigate their clients' economic activities, as well as the movement of resources and their possible income potential. Furthermore, the Bank Superintendency also can check large cash transactions.

Despite these mechanisms, there is still little the authorities can show in terms of their effectiveness, and experts recommend that financial organizations form "responsible official" groups, whose only responsibility will be to examine the movements of money.

Too Much Leeway

Referring to the issue of money laundering in Colombia, Prosecutor General Alfonso Valdivieso said the country has given too much leeway to this kind of illegal activity and has reacted against it in a belated manner.

He noted, for example, that money laundering activities have been observed for more than 10 years, but if anyone broached the topic, he was immediately labeled an alarmist. "That is how Colombia got the image it has today, which will be very difficult to change," he said.

It is precisely because the country allowed these irregular procedures to advance so much that today it faces well-structured, criminal organizations. It is only now that the government has started to get organized to counter them, he explained.

The prosecutor general asserted that this is why we cannot show great results yet, and he added that he will study the possibility of creating a special investigation group whose main task will be to track money laundering activities.

Meanwhile, Bank Superintendent Jorge Castellanos said there are several ways to launder money in Colombia. These range from financing contraband shipments through sales at free trade zones, reimbursements with dollars, the payment of credits to foreign organizations, the over-billing of exports, and the under-billing of imports. The official explained that high interest rates and exchange rates applied in the country also attract illegal capital.

Castellanos proposed that the Superintendency of Stocks and Companies be allowed to investigate whether the firms it currently supervises are laundering money, especially those that transfer large amounts of money.

Wave of Murders in Cali Investigated

94WD0566Z Santa Fe de Bogota EL TIEMPO in Spanish 15 Aug 94 p 10A

[First sentence is EL TIEMPO introduction]

[Text] Investigations unit sources estimate the number of drug mafia collaborators in various private and public agencies at 5,000.

In June and July 1994 various parts of the Valle department capital were the setting for an unusual and bloody wave of murders, resulting in the deaths of 18 people.

These crimes might have gone unnoticed by the investigators of the CTI [Technical Investigation Corps] based in Cali, except that all the victims had something in common.

The investigators say that after the investigations were conducted, it was concluded that the victims' jobs had been in some way connected with private and state enterprises handling communications in Valle.

According to the CTI, some even worked for Telecom [National Enterprise for Telecommunications] or had some connection with the telephone company in the Valle capital.

Who killed them? CTI spokespersons in Cali said that although they have found no strong evidence enabling them to prove the origin of this wave of murders, they may have been part of a macabre plan of the drug

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traffickers to silence people with knowledge affecting the security of their communications.

The CTI investigators said it is possible that some of the victims may have been directly involved in handling the drug traffickers' communications systems.

The same sources believe that the crimes were an attempt to silence persons who worked in intercepting communications for the cartels or in supplying information on telephone lines of interest to the drug mafia.

Recently the Drug Investigations Unit found in the office of a Chilean national, Guillermo Pallomari, known as "Reagan," documents containing 200 telephone numbers which last week were under investigation by the Regional Prosecutor's Office. The authorities said that corruption in Cali, detected from a massive roundup of 58 police officers, noncommissioned officers, and agents, is of such magnitude that it is estimated that no fewer than 5,000 employees are implicated in abetting the interests of the drug traffickers.

In Cali everyone knows this. An officer of the Drug Investigations Unit said: "It is impossible to tap a telephone line of the traffickers, because they know about it immediately and stop using it."

How do they do this? The investigators said the Cali drug barons use the telephone companies as a primordial source for their intelligence operations, and did not reject the possibility that they are and have been advised by technical people employed by state enterprises.

Investigations show that the Cali drug barons have sophisticated communications equipment which not even the most advanced Colombian telecommunications companies have.

The investigators are now maintaining absolute secrecy about the 18 deaths, as they attempt to find evidence enabling them to solve these crimes.

Ecuador

Ministry Denies Cubans To Be Accepted 'Indiscriminately'

PA0609181794 Madrid EFE in Spanish 1723 GMT 6 Sep 94

[Text] Quito, 6 Sep (EFE)—The Ecuadorean Foreign Ministry reported today that it will review individually petitions from Cuban "rafters" who want to be received in Ecuador, and it denied reports saying that Cuban refugees will be received indiscriminately.

Foreign Ministry spokesperson Dora Andrade told EFE, "In the event that Cuban citizens request entry into Ecuador, the government will review the requests one by one."

She added that the conservative Ecuadorean Government of Sixto Duran-Ballen "has not received a formal petition from either the U.S. Government or the Cubans themselves. Therefore, it is too soon to talk about receiving the refugees."

Venezuela is the only member of the Andean Pact that has openly agreed to receive Cuban rafters who have relatives there. Bolivia, Colombia, Ecuador, and Peru also belong to the Andean Pact.

Cuban Ambassador on Country Accepting Rafters

PA0709040094 Madrid EFE in Spanish 2322 GMT 6 Sep 94

[Text] Quito, 6 Sep (EFE)—Rene Castro, Cuban ambassador to Ecuador, said today it is possible that this Andean country could join those that have decided to admit Cuban "rafters" into their territories.

A communique released by the National Communications Secretariat (SENACOM) of the Ecuadoran Government said Ambassador Castro "will hold talks" with the Ecuadoran foreign minister to discuss the issue.

Once the Ecuadoran Government's position in this regard is made known, the Cuban authorities will be notified, the SENACOM communique said.

A few hours earlier, the Ecuadoran Foreign Ministry said it would study any future request made by the Cuban "rafters" and denied reports that they would be received en masse.

"The government will review on a case-by-case basis any eventual requests by Cuban citizens who wish to come to Ecuador," an Ecuadoran Foreign Ministry official, who asked to remain anonymous, told EFE.

Venezuela is the only nation in the Andean Pact, which also includes Bolivia, Colombia, Ecuador, and Peru, that has openly agreed to receive Cubans who have relatives in the country.

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